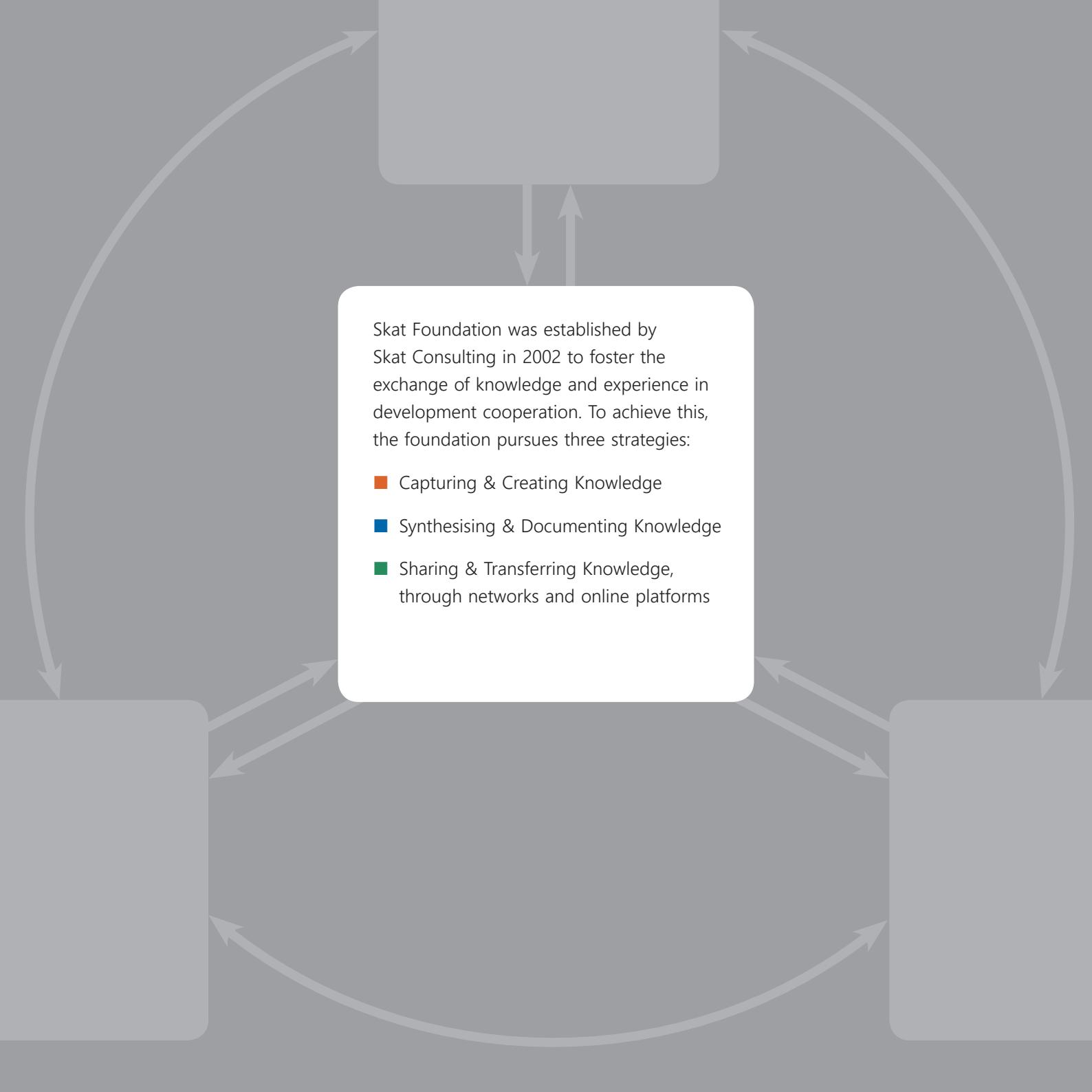




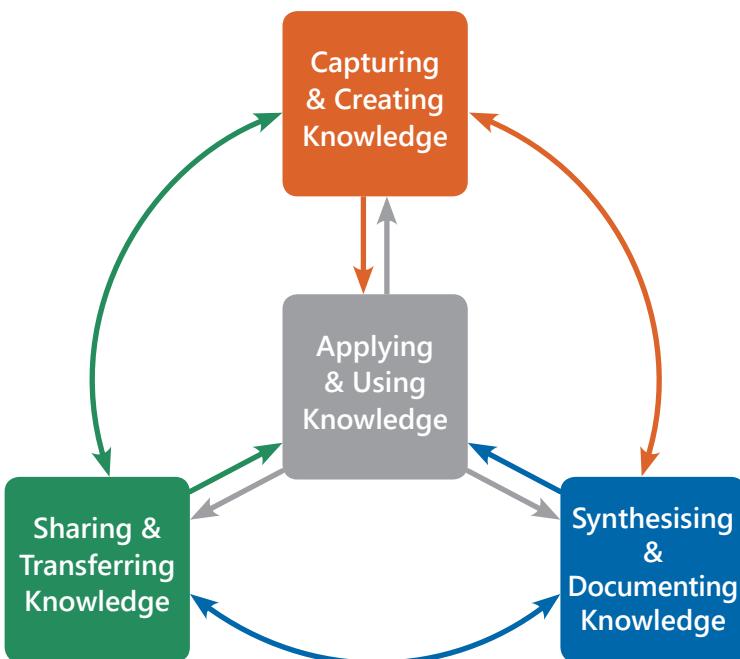
Annual Report 2014



Skat Foundation was established by Skat Consulting in 2002 to foster the exchange of knowledge and experience in development cooperation. To achieve this, the foundation pursues three strategies:

- Capturing & Creating Knowledge
- Synthesising & Documenting Knowledge
- Sharing & Transferring Knowledge,
through networks and online platforms

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Preface

We received positive feedback to the new layout of the Skat Foundation 2013 Annual Report so this report uses the same format: in the first part we introduce the purpose and strategy of the Foundation, and in the second part we present an overview of the Foundation's activities and achievements in its three strategic fields during the reporting period of 2014.

In summary Skat Foundation's key activities during the year have been:

The development of the modular training concept has taken a step further: the modules on construction quality improvement were tested and finalised in February 2014 during a pilot training course in Cameroon. At the same time local trainers now have the competencies to replicate this type of training. Additional training modules are planned for completion in 2015 on topics of "Spring Catchment" and "Caretaker". Since a first set of training modules has been finalised and made available the initiation of scaling up and dissemination is planned for 2015.

In Tanzania, Skat Foundation has collaborated with two other Swiss foundations, ZH2O (Zürcher Wasser) and Volkart Foundation, to support the training of technicians and entrepreneurs who have established businesses all over Tanzania so that households can have access to affordable water supplies for day-to-day use in their homes and fields.

The Rural Water Supply Network (RWSN) continues to go from strength to strength with membership increasing from 5,145 to 6,530, and webinars becoming firmly established as an important medium for sharing experiences and know-how between practitioners, researchers and government staff all over the world. There was also a successful e-discussion and synthesis on Multiple Use of water Services (MUS) which brought together practitioners' experiences of water for domestic uses and small-scale agriculture.

Skat Foundation also synthesised two years worth of online discussions on handpump technology to identify the critical areas for action. It revealed that one of the most widespread, and avoidable, problems is the use of inappropriate pump and borehole materials in aggressive groundwater, which leads to corrosion, poor quality water and early pump failure. This has led to collaboration with WaterAid to take this issue further and advocate for better handpump installations and supervision.

Skat Foundation's achievements in 2014 mean that the organisation continues to fulfil its mission through the strategic activities of capturing & creating; synthesising & documenting; and sharing & transferring knowledge.

Finally, Skat Foundation would like to thank all those for their efforts who contributed to the progress and success. Special thanks go to Skat Consulting. It was they who enabled in the first place the work of the Foundation with their staff and substantial financial support.



A handwritten signature in black ink, appearing to read "R. Leutert".

Dr. Rolf Leutert
Chairman of the Board



A handwritten signature in black ink, appearing to read "K. Wehrle".

Karl Wehrle
Executive Secretary



Why Skat Foundation?

Skat was founded in 1978, attached to the University of St. Gallen. Our initial purpose was to establish a resource centre to document, and make accessible, the experiences of Swiss organizations involved in development cooperation. Particular focus was on the introduction and scaling up of appropriate technologies.

The role of Skat staff evolved as simple requests from users of the resource centre developed into more complex consultancies on knowledge transfer. To cope with the rising demand, we focused on a few core areas of competence: water and environmental sanitation; construction; climate; energy; and environment.

It is this clear thematic focus - coupled with professional skill, learning from networks and sensitivity for a holistic approach to achieve sustainable solutions - that brought Skat to the fore with a worldwide reputation for excellence.

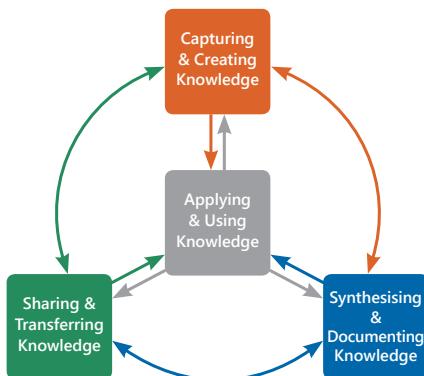
By the 1990s, the funding landscape had shifted and Skat had to adapt to survive; the decision was taken to become a private consultancy but to also house a foundation. This dramatic shift was successful and a big part of that success has been the balance between commercial professionalism and a strong ethic to serve the needs of the poorest and most marginalized communities around the world.

This unique arrangement means that Skat Consulting has practical, state-of-the-art experience in development cooperation implementation, action research and knowledge management that meets clients' needs. Meanwhile Skat Foundation, based on Skat's expertise as a resource centre, unlocks that knowledge and experience so that a much wider audience can benefit from both the work of Skat and our many partners.

How Skat Foundation works to achieve its purpose

The purpose of Skat Foundation is to support sustainable development for the improvement of living conditions in developing and transition countries through generating, sharing and transferring knowledge about what works and how in selected thematic areas.

Because of having direct access to experience and knowledge, at Skat Foundation we focus our activities on the thematic areas of Skat Consulting: Water, Sanitation & Hygiene (WASH); Energy & Climate; Buildings & Settlement; Networks & Knowledge Management; Governance; Waste Management; Environmental Management & IWRM; Mobility & Transport; and Economic Development.



We pursue three interrelated strategies to achieve the Foundation's purpose:

- Creating knowledge (through innovative projects) and/or capturing knowledge (from best practices by Skat Consulting or partner organizations);
- Validating, synthesising and documenting knowledge (of best practices that work under specific conditions and context);
- Sharing and transferring knowledge (through networks, platforms, workshops and consultancy).

By doing this we support others to apply and use improved knowledge and practices, for the benefit of the poorest and most vulnerable members of our global society.



Capturing
& Creating
Knowledge

Training of Trainers and Development of Training Modules for high quality, sustainable Rural Water Supply Schemes, Cameroon

Skat Foundation decided to support an initiative for Training of Trainers (ToT) and the development of training modules based on the fact that high quality design and construction forms the basis for sustainable water supply schemes. The need is driven by the observation that many such schemes that Skat staff have observed in many countries are poorly designed and poorly built. This represents a needless waste of time and investment.

The practical approach and content of the training modules are developed and fine-tuned through pilot training courses. A modular training concept containing tentatively around thirty modules has been developed (see table below). The modules will contain generic training material that will be valid for any location. Cameroon was selected as a test location since a partner organization (IEA) of Skat Foundation showed sincere interest, and a good level of local trainer capacity was already available.

Based on the results of a first pilot training (2012) a first set of training modules on construction quality were developed during 2013. This set of modules was tested again and finalised in a second pilot course in February 2014 in Cameroon. 15 trainees, mainly water technicians from rural councils, were trained by local instructors who used the prepared training modules. The training was guided and supervised by an international lead trainer. Based on the learning resulting from the training implementation, the 5 modules on construction quality were adjusted and finalised.

A needs assessment conducted at the end of the training course, as well as among selected rural councils, identified "Spring Catchment" and "Caretaker" as the next training modules to be piloted, in 2015. Scaling up and dissemination of this training approach, including the application of training modules, shall be initiated through the Rural Water Supply Network (RWSN) in 2015.

Module A		Module B		Module C		Module D		Module E		Module F	
Training Needs & Methodology		Construction Quality		Pipe Laying & Plumbing Quality		Structures for Water Development & Storage		RWS Design & Documentation		Management of RWS	
A1	Why Training	B1	Raw Material	C1	Materials	D1	Spring Catchment	E1	RWS	F1	RWS Management Models
A2	Training Concept	B2	Concrete Mix Design	C2	Pipe Line & Structures	D2	Hand Dug Wells	E2	System Design	F2	Water Management Committee
A3	Training Principles	B3	Reinforced Concrete	C3	Installation	D3	Hand Drilled Wells	E3	Building Quantities	F3	Caretaker
A4	Training Certificate	B4	Stone Masonry	C4	Pipe and Fitting Maintenance	D4	Boreholes	E4	System Costing	F4	Supervision of Functionality of RWS
A5	Trainees Performance Monitoring	B5	Plastering & Topping	C5	Pressure Interruption	D5	Handpump Procurement & Installation	D6	Rain Water Harvesting		
A6	Training of Trainers	B6	Reading Plans and Setting-Out					D7	Storage Tanks		
		B7	Supervision of Construction Work								
		B8	Construction Structure Maintenance								

Diagram of training modules

Improving Self-supply skills in Tanzania

Skat Foundation, with funding assistance from ZH2O and Volkart Foundation in Switzerland, provided support to the Southern Highlands Participatory Organisation (SHIPO) and their Smart Centre in Njombe. The centre provides training to entrepreneurs on a range of skills, including manual drilling, rope-pump manufacture and how to run their own business. The impact is being felt far and wide across Southern Tanzania, and beyond, as the entrepreneurs push into new markets for their services that provide improved, more accessible water supplies.

Find out more at shipo-tz.org



Synthesising & Documenting Knowledge

BREAK PRESSURE TANK



RWSN Publications and Synthesis 2014 – and their impact

Skat Foundation continued to publish a wide variety of publications and papers on behalf of the Rural Water Supply Network (RWSN). Volumes of the "Code of Practice for Cost Effective Boreholes" were translated into French, thanks to UNICEF, and re-published.

The main RWSN e-discussion of the year was around Multiple Use water Services (MUS), which drew out contributions from all over the world. The synthesis document highlighted the importance of considering that rural people use water for more than just drinking and cooking and that these multiple uses (and multiple water sources) should be included in water project and service design.

Skat Foundation also synthesised two years worth of online discussions on handpump technology to identify where the critical areas for action are. It revealed that one of the most widespread, and avoidable, problems is the use of inappropriate materials (such as iron and galvanised iron) where groundwater is acidic. The widespread problem of corrosion leads to pump failure and user rejection of the water, which becomes orange-brown with rust. The problem can be avoided through the use of stainless steel or PVC plastics. Further research and advocacy is planned in the RWSN Strategy period.

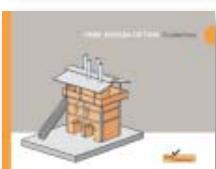
A survey was done across the RWSN membership, which was at around 5,000 members at the time, synthesising the 600+ responses provided important insights into the reach and impact that the network has and where we can still improve. Notably the quality of RWSN publications is highly valued, but this had taken a backseat compared to other networking activities, so this helped us refocus. This information was vital for informing the RWSN Executive Steering Committee in their deliberations and decisions for the 2015-2017 RWSN strategy.



"Work the Net"

The first edition of "Work the Net", produced by Skat Foundation for the German development cooperation agency, GTZ (now GIZ) became established as the go-to guide for how to set up and run a network. During 2014, work continued on a completely revised second edition. This new edition brings together the latest thinking on knowledge network design, the advances in social and online media, and a rich range of examples for different countries and different sectors. The Second edition is planned to be available in 2015.

For more information, contact Bertha Camacho. The current version can be downloaded from www.skat.ch



Ventilated Shaft Brick Kiln (VSBK) Design Guidelines

VSBK is an energy efficient low-emission brick kiln for fired clay brick production. The technology was originally developed in China. A VSBK consists of one or more vertical shafts, which are loaded with fuel and green (unfired) bricks from the top and unloaded at the bottom, after the bricks have passed through the firing zone in the middle of the shaft. The vertical shaft allows ideal combustion of the fuel and use of the hot flue gas for pre-heating the unfired bricks above the firing zone. Furthermore, the VSBK is continuously operated thus avoids necessity of energy wasting multiple firing ignition and cooling. For these thermodynamic reasons, the VSBK is considered as the most energy efficient and least CO₂ emitting brick kiln design.

Skat Foundation continues to maintain an online resource base at www.vsbk.ch and is looking at establishing a "Construction and Climate Network"



Sharing & Transferring Knowledge



Webinars – a valuable new tool for global storytelling

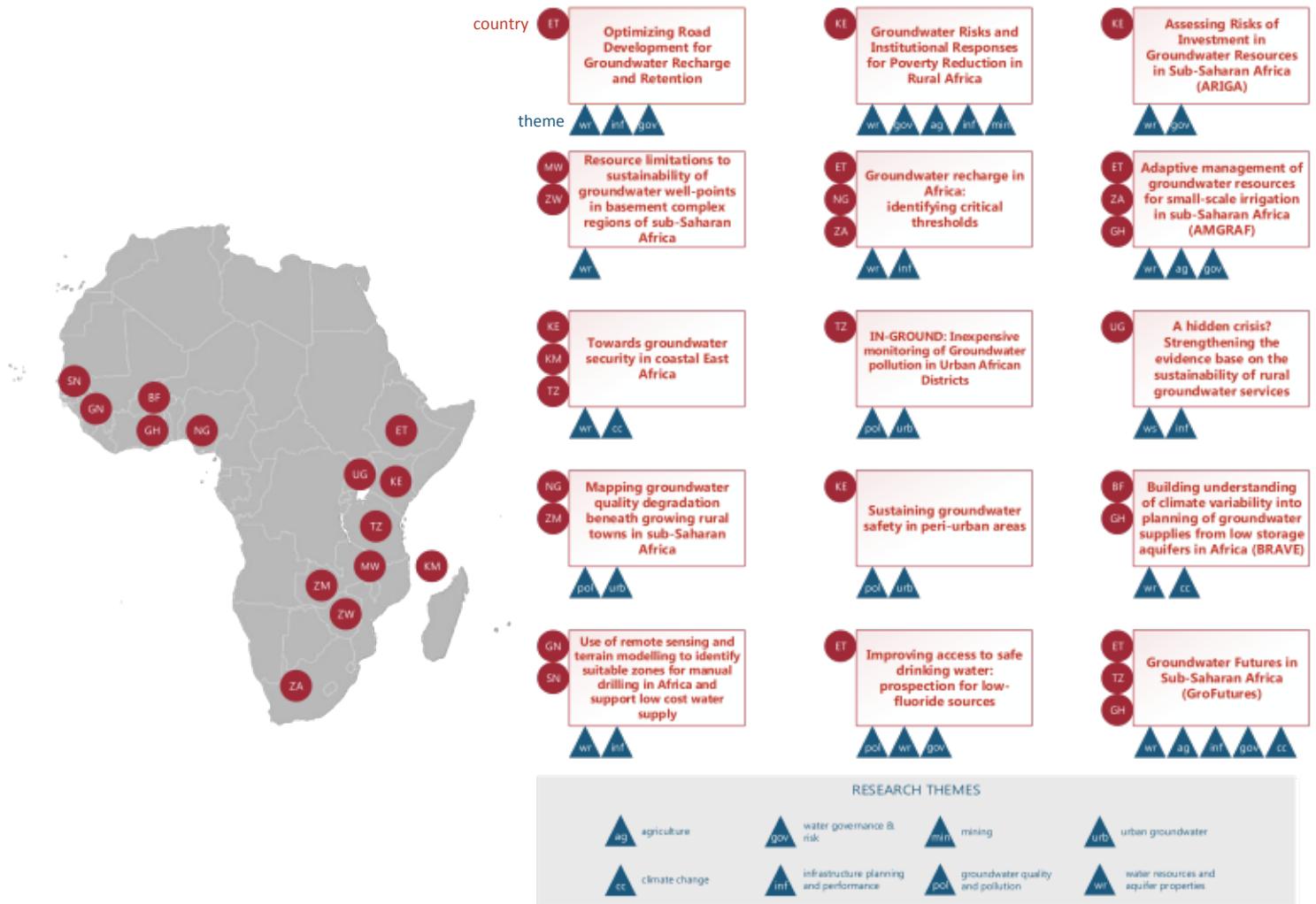
A webinar is an online presentation using special internet software. Participants can log in and hear the presenter's voice, see the presentation slides and ask questions by typing in a chat box. The power of this tool is that the presenters, the organisers and the audience can be anywhere in the world. This allows voices from practitioners in the field to be heard and their ideas and experiences discussed and passed on. The recordings of the webinars provide a useful resource for reference and teaching.

Webinars were first used by RWSN in 2012, in a series organised by the World Bank, which drew on high quality papers and speakers from the 6th RWSN Forum in 2011. In 2014, webinars became a fully established part of how Skat Foundation encourages sharing and engagement between network members. 20 webinars were ran during the year, many in English and French, on topics including manual drilling, rainwater harvesting, groundwater science, self-supply, water point mapping, and national monitoring.

There has been experimentation with language; in a series on Manual Drilling, English and French were mingled into the same webinar presentation and question & answer. While this allowed the two language groups to come together, the feedback from the audience was that it would be better to do them separately. This was then done in the late 2014 series, which in some ways was more successful, though attendance of the French webinars was sometimes very low.

While Skat will continue to innovate, a comfortable process has been established that enable series of weekly bi-lingual webinars running over 10 weeks. Of course, challenges remain, with sometimes unreliable internet connections and having to train new speakers every week. However, this in itself is having some impact as more and more people are being trained and given experience in presenting to a global audience and responding to questions. Improving communications skills across the rural water sector is essential for attracting support and success that can lead to better services for the rural poor.

Recordings of RWSN webinars can be found on: <https://vimeo.com/channels/rwsnwebinars>



Map of Catalyst projects

UPGro – Unlocking the Potential of Groundwater for the Poor

The number of people using boreholes and hand dug wells in Sub-Saharan Africa for their drinking water has doubled in the last ten years, particularly in countries like Nigeria, where the economies and populations are growing rapidly. Meeting the water needs for households, agriculture, industry and nature will be a huge challenge across the wide variety of environments and contexts found across the continent. Groundwater will play a central role over the coming century in buffering against climate change, and the existing extreme seasonality in rainfall experienced in many countries.

However, the data and scientific understanding of many of these aquifers is very poor, and governments and groundwater users need practical guidance on how to use their natural groundwater wealth wisely and for the benefit of the poorest members of their societies.

To tackle this, the United Kingdom is investing in a large CHF 20 million research programme over seven years, which brings together the best researchers from African and European Universities to study these pressing issues.

Skat Foundation was appointed as the Knowledge Broker for the programme in 2013. This mandate has been tremendously exciting because it fits so closely with our established expertise and networks. However, what it has brought to RWSN is much closer collaboration with academia and awareness of the research that is going on that could be useful to the policy-makers and practitioners who are actively making decisions and implementing groundwater schemes across Africa.

In 2014, Skat's work really got underway to share the emerging research and to facilitate the transferral and uptake of the new knowledge to the organisations and individuals who can make best use of the new insights. UPGro researchers presented their work through RWSN webinars and in UK events at the Geological Society of London and the Overseas Development Institute (ODI). At the 41st Congress of the International Association of Hydrogeologists (IAH) in Marrakech, Skat maximised the exposure of UPGro research through a half day event in the programme, an exhibition stand and through the use of blogs, videos and other social media.

During 2014, there were fifteen 'Catalyst' projects that ran for one year and then there was an open call for larger 'Consortium' projects to run from 2015 – 2019. Five projects were chosen and Skat will be supporting the knowledge sharing between the projects as well as with the wider world.

Find out more at: upgro.org



Financial Statement

Balance Sheet as of 31.12.2014

Description	(CHF) 2014	(CHF) 2013
Assets		
Cash and marketable securities	524,918	264,142
Receivables third parties	58,670	101,024
Receivables related organisations	0	0
Receivables government	24,546	14,605
Advances to projects	449	300
Work in progress	164,291	64,118
Total current assets	772,875	444,189
Fixed assets	3,550	5,300
Total non-current assets	3,550	5,300
Total assets	776,425	449,489
Liabilities		
Liabilities third parties	8,119	7,050
Liabilities from prepayments	11,101	20'181
Liabilities to associated organizations	457,224	115,836
Deferred income/accrued charges	2,000	2,200
Total liabilities	478,444	145,267
Restricted funds	64,852	44,184
Total restricted funds	64,852	44,184
Paid-in capital	215,000	215,000
Internally generated unrestricted operating funds	18,128	45,038
Total capital of the organisation	233,128	260,038
Total liabilities	776,425	449,489

2014 closed with a loss of CHF 26,910. The capital of the organisation changed from CHF 260,038 to CHF 233,128.

In 2014, administration cost for the Foundation were transferred from Skat Consulting because in 2013, the total capital of the Foundation had reached the 'Paid-in capital' threshold, which was the amount paid in to the Foundation when it was first established.

Profit & Loss Account from 1.1.2014 – 31.12.2014

Description	(CHF) 2014	(CHF) 2013
- Contributions Swiss authorities RWSN 2012-2014	186,923	171,813
- Constricted Contributions others RWSN	14,477	74,646
- Contributions Cameroon	50,241	
Total restricted contributions RWSN	251,641	246,459
- Project income RWSN	273,669	301,112
- Skat Consulting Projektfonds (RWSN)	64,626	41,603
- DMAN VSBK and other SCP	70,301	153,050
- Other projects	14,683	2,825
Total project income	423,279	498,590
Skat Consulting free donation	50,000	72,000
Bookshop	353	1,516
Operating revenue	725,274	818,565
 Rural Water Supply Network (RWSN) 2012-2014	-495,183	-569,274
Skat Consulting Projects (Projektfonds) RWSN	-57,072	-41,603
VSBK and other SCP	-63,485	-136,893
Cameroon Projects	-57,814	-2,837
Small Projects	-14,679	
Total direct project expenditures	-688,232	-750,607
Administration	-61,226	-7,531
Intermediate surplus	-24,185	60,427
Net financial income	-2,725	-7,263
Operating surplus	-26,910	53,164
Income funds	77,684	108,333
Use of funds	-57,992	-133,952
Internal funds transfer	977	16,907
Net surplus for the year	-6,241	44,452
Allocation to restricted funds	-20,669	8,712
Allocation to unrestricted operating funds	26,910	-53,164
Net surplus / deficit for the year after allocations	0	0

In 2014 the Skat Foundation is grateful for the project contributions received from the Swiss Agency for Development and Cooperation (SDC), Austrian Red Cross, British Geological Survey (BGS), Department for International Development of the UK (DFID), DMAN/EU, Dorkorporation Engelburg, Natural Environment Research Council of the UK (NERC), Economic and Social Research Council of the UK (ESRC), RAIN Foundation, Relief International, Skat Consulting Projectfund*, Technische Betriebe Weinfelden, Raiffeisen St.Gallen, UNICEF, WaterAid, World Vision, ZH2O Zürcher Wasser.

* A free donation of CHF 50,000 plus CHF 64,626 out of the project fund was given by Skat Consulting Ltd.

Management Bodies

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Juerg Christen, Skat Consulting, St.Gallen

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External Auditor (Accounts)

Treuhand St.Gallen AG, St.Gallen

Executive Secretary

Karl Wehrle, Executive Secretary

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