

Annual Report 2023



WATER over

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INTRODUCTORY THOUGHTS

In 2023, our focus was on the institutional establishment of WATER FOR WATER (WfW) Zambia and ÁGUA POR ÁGUA (ApA) Mozambique. Our vision of local WfW country organisations is thus continuing to take place.

For us, the past year was characterised by the internationalisation and localisation of WfW. This process, which we started at the beginning of 2020 with the recruitment of Tumba Mupango, the first Zambian WfW employee, is central to our vision of an international non-profit organism. Wherever we operate, we want to act as local organisations in specific contexts and achieve impact.

In particular, we want to break with the stigma of 'rich, developed global North – poor, needy global South', which overlooks opportunities 'in the South' and ignores problems 'in the North'.

For us, 'Africa' is not a problem that needs to be solved, but a continent of opportunities. The population of the African continent, which is larger than China, India, Europe and the USA combined, will grow faster than any other in the coming decades. By 2050, the continent of Africa will have an estimated 2.5 billion inhabitants based on the current growth rate – almost twice as many as in 2022. Consumer spending will increase accordingly – in 2021 for example to more than 1.93 trillion dollars.

Given the continent's undisputed major social challenges, WfW's experience has shown that the size and potential of Africa, with its dynamic and young population that is increasingly connected to the global economy through technology and innovation, is underestimated. WfW therefore sees many opportunities for fair and sustainable economic activity that goes beyond private sector profit maximisation as well as traditional 'development cooperation' or 'aid relationships'.

'Europe', on the other hand, is not the solution to the challenges in the Global South. On the contrary, with our lifestyle, the global economic system and our historical past, we are partly responsible for

many of the challenges facing people in Mozambique, Zambia and all around the world.

We were always aware that transferring this understanding to the organisational development of WfW was not a straightforward process. This is why the development of the local WfW organisations is accompanied by challenges, for example:

- Financially, because only a few institutions and people have the means to invest in the development of a non-profit organisation.
- Strategically, because the development of local teams is intensive and it was not always easy not to lose sight of the big picture.
- Operationally, because digital, cross-continental communication is a constant challenge.

This annual report provides an overview of the challenges to which we as a WfW organism develop and implement local solutions. One example of this is the establishment of our sustainability services in Zambia, where we have partnered with Zanaco, the largest Zambian bank. As part of this partnership, local start-ups are supported in their market entry. More about this on page 13.

We are constantly filled with amazement and deep gratitude at what has emerged from our decision to found WATER FOR WATER (WfW) in 2012: a vibrant WfW organism with mutually complementary and supportive employees and numerous activities involving hundreds of partner institutions in Mozambique, Switzerland, and Zambia.

We would like to thank all those who are working with us to support the fair and sustainable use of water as a vital resource: Together for water and the love of life!

Morris und Lior Etter
Co-Founders and Co-Managing Directors

WfW WASH Activities

A young woman with long brown hair is looking down at a table, possibly working on a project. Another person's arm, wearing a white hoodie, is visible next to her. The background is a blurred indoor setting with a fluorescent light fixture.

We are aware that the water crisis is one of the biggest global challenges. In its solution, WfW can globally play a relatively small role.

However, with our limited resources, we want to achieve an impact that goes far beyond our initiatives. That is why we are pursuing the goal of developing context-specific lighthouse approaches that generate perceptible, measurable and scalable added value. As a lighthouse approach, they send a signal to society, encourage other stakeholders to take action and thus multiply our impact.



Pupils from the Zeit-Kind-Schule Lucerne at the workshop on water careers. © Monique Wittwer, WfW



Hyde Mutemba, resident of John Laing, Lusaka, at his household connection.
© Lipor-Efter, WfW

ACCESS TO DRINKING WATER

ZAMBIA Millions of people in Zambia live without safe access to drinking water. This has an impact on health, but also on the social and economic aspects of those affected. For example, they lack the time or money to pursue educational programmes or economic activities. In addition, water from unregulated suppliers or unsafe boreholes is not tested for contamination and pathogens and poses a health risk – as the largest cholera outbreak in 20 years at the end of 2023 once again made clear.

That is why we are committed to ensuring fair access to professional drinking water, sanitation and hygiene (WASH) services in Zambia. Our goal is to enable reliable, resilient and safe water and sanitation systems in structurally neglected and low-income areas in growth centres. To meet this challenge, we not only build infrastructure but also develop management teams and structures that are capable of managing the water supply in the long term.

For WATER FOR WATER (WfW) Zambia, the year 2023 was characterised by the planning and expansion of an ambitious project. The signing of the Memorandum of Understanding with the Southern Water and Sanitation Company (SWSC) was central to this. This company has the task of providing water and sanitation services in the Southern Province of Zambia, which is twice the size of Switzerland. Together, we are pursuing the goal of bringing a functioning water supply to numerous growth centres. The aim is to create a scalable model that will enable cost-covering WASH services in other growth centres in Zambia in the future. We have also started to implement urgently needed measures in the area of water and sanitation infrastructure with primary schools in the same region.



Vocational school students at the LVTC © Francis Zawadi WfW

WATER-SPECIFIC VOCATIONAL TRAINING

ZAMBIA In Zambia, there is a structural shortage of skilled labour coupled with high youth unemployment. There is little financial support for secondary and tertiary education from industry and the state. This leads to a scarcity of educational opportunities with expensive training places, which also teach hardly any practical skills.

Effective vocational training is the foundation of any professional, reliable and resilient water and sanitation supply system. WfW has therefore been implementing a vocational training programme in the water sector in Zambia since 2013. The programme aims to make water-related vocational training in Zambia accessible and practice-oriented to enable talented but financially less privileged people – especially women – to receive training and to better introduce graduates to the workforce. We partner with training institutions and promote common standards and innovative approaches with stakeholders

from vocational training, the water sector, the private sector and the government.

In 2023, we improved learning infrastructures and were able to award scholarships to a total of 117 students at the partner vocational schools in Lusaka and Mansa. To better understand the needs of graduates and improve training for them, we conducted a comprehensive career evaluation. Central to the national impact of our programme is the ongoing work of WfW in international teams of experts, whether in the area of developing teaching materials, organising training courses or working on the development of a dual training system inspired by the Swiss model.



Participatory workshop at the Saul Filipe Tembe primary school. © AJUPIS, WfW

WASH IN SCHOOLS

MOZAMBIQUE The sanitary facilities in many primary schools in Mozambique's capital Maputo are in a desolate state. Public defecation and the lack of hand-washing infrastructure favour the spread of diseases such as cholera or hepatitis A and E. Particularly affected by this situation are girls, as they often do not attend classes due to a lack of menstrual hygiene facilities, and children who are dependent on accessible sanitary facilities.

Since 2017, we have been working towards an improved, holistically-oriented learning environment for primary school pupils in Maputo. To this end, we are working with the Maputo Municipality (CMM). Together, we have developed a strategy that defines the WASH standards for all 101 primary schools in Maputo according to international guidelines and includes an action plan until 2031. In doing so, we are pursuing a holistic approach that goes beyond improving the infrastructure and aims to achieve a

long-term impact through participatory planning and educational elements.

In 2023, the focus was on the project in Katembe, where ÁGUA POR ÁGUA (ApA) Mozambique worked with two schools to develop measures and start implementing them. This has benefited 2,250 children, 60 teachers and the entire school environment. After years of close project support, this is the first project that we are implementing independently with our local team. We are focussing on participatory planning – together with parents, pupils and teachers – and were able to start the construction work on the new sanitary blocks at the end of the year.



Miriana, Magdalena and Livia from the Zeit-Kind-Schule Luzern at the workshop on water careers. © Monique Wittwer, WfW

AQUADEMIA: EDUCATION WITH WATER

SWITZERLAND The sustainable use of water is a global challenge. Even in Switzerland, the so-called water castle of Europe, the resource is under pressure: 150 tonnes of microplastics have entered our rivers and lakes in the last ten years. Glaciers have shrunk by a further ten per cent. And around 30,000 chemicals are polluting our waters. Because water circulates across the entire planet, this challenge is both local and global.

This is why we need knowledge and skills that must be promoted in the long-term. In AQUADEMIA, WfW works with young people in Switzerland to develop a concrete scope of action for a globally fair and sustainable approach to water. Secondary school students have a special role to play here: they are the future decision-makers for social change, while at the same time they are the main people affected by climate change.

In 2023, we were able to start the first implementation of the 'WfW Water Cycle' in school classes with the first partner schools that are involved with AQUADEMIA on a long-term basis. These young participants spend an entire year learning about a specific water topics, for example 'Water & Consumption'. With the highlight of the year, the water challenge, the pupils proactively take action and advocate for the resource in their immediate surroundings.

WfW Sustainability Services

Together for
a fair and
sustainable
use of water

At WfW, we believe that small steps are necessary to make a big jump. When many people take these small steps together, they consciously take action and enter into a global dialogue. With our Sustainability Services, we aim to multiply our impact in close collaboration with the private sector in order to have a sustainable and positive impact on society while generating funds for our activities. By setting an example of action, WfW partners act as ambassadors for transformative change.





Tap water love at the restaurant during Valentin Stocker's farewell game.
© Loris Di Minico, WfW

WfW GASTRO & HOTEL

SWITZERLAND Tap water has a CO₂ footprint up to 1,500 times smaller than bottled water from Switzerland. In addition, Swiss tap water is the most tested foodstuff and is of high quality. Nevertheless, around one billion litres of bottled water are transported in and through Switzerland every year. And even if Switzerland likes to call itself the recycling world champion: with a recycling rate of around 80%, more than 8.5 tonnes of PET bottles still end up in waste or in nature every year – and the trend is rising.

To counteract this trend, we have been successfully persuading businesses in the gastronomy and hotel industry to use tap water since 2012. Together with WfW, our partner businesses sensitise their guests to the fair and sustainable use of water as a resource. In combination with the partnership contributions, 100% of which are channelled into our WASH activities, these long-term partnerships act as important multipliers for our wide-ranging activities.

In 2023, we successfully launched a specific hotel concept with WfW GREEN HOTEL and were able to convince 44 hotels to join us in using drinking water of the most local origin. They are now part of our WfW GASTRO & HOTEL network of almost 400 establishments, which supported our programme work in 2023 with around CHF 850,000. The recognition from Swisstainable, Switzerland Tourism's sustainability programme, shows that our concepts also have an ecological impact. With an estimated 20,000 gastronomy and hotel establishments in Switzerland, there is still a lot to do. We'll keep it up!



Also in Zambia, we believe in the most local of all drinks in the WfW carafe.
© Yemba Chilambwe, WfW

WfW HOSPITALITY

ZAMBIA The booming market for PET bottled water in Zambia is having an immense negative impact on the environment and society. This development is at the expense of the environment and the health of consumers. Excessive extraction of groundwater jeopardises the water supply of local communities and ecosystems. With hardly any recycling systems in place, the growing pollution of the environment by plastic (bottles) and clogged sewage systems is omnipresent. Clogged sewage systems are in turn one of the causes of most flooding at the beginning of the rainy season, which favours cholera outbreaks.

Building on WfW GASTRO & HOTEL in Switzerland, WfW Zambia is pursuing the goal of supporting local businesses with customised solutions to switch from bottled water to filtered tap water and to integrate the concept of social redistribution into everyday life. The fact that financial redistribution by Zambians

for Zambians is being pursued in Zambia is a paradigm shift for WfW and complements its programme work in this area.

The year 2023 was dedicated to setting up and developing this service. The first partnerships with large hotels have already been concluded for the planned launch in 2024. These will contribute to the local financing of our activities, save thousands of plastic bottles and also raise awareness of the issues surrounding water resources among the general population in Zambia. By establishing long-term partnerships in Zambia's hospitality industry, WfW is also pursuing the goal of reducing dependence on the cash flow from Switzerland.



Valencia Kommunikation AG has been drinking tap water in partnership with WfW since 2018. © Rahel Roth, WfW

WfW COMPANY

SWITZERLAND Although more and more companies are choosing to drink tap water in their offices for ecological and economic reasons, the proportion of bottled water is still very high. At the same time, awareness of the issue of water conservation is still too low. This is despite the fact that this resource is also coming under increasing pressure in Switzerland, for example due to climate change or increasing pollution with microplastics, eternal chemicals or pesticides.

With our WfW OFFICE concept, we have been successfully offering companies Corporate Social Responsibility (CSR) solutions since 2014 to integrate environmentally friendly behaviour and social responsibility into their day-to-day work. Together with us, they consistently use tap water, manage their water consumption carefully and sensitise employees and customers. With the WfW PER UNIT concept, companies

link their support directly to the sale of a product and, together with WfW, make their customers aware of the value of water as a resource.

2023 was a challenging year in the WfW COMPANY division, consisting of the two concepts WfW OFFICE and WfW PER UNIT, and we were unable to achieve our growth targets as we had planned. There are many reasons for this, including an economic environment characterised by uncertainty. Nevertheless, our impact is steadily increasing: with the almost 200 WfW OFFICE partnerships, we are currently saving around 2.5 million 1-litre water bottles per year, which is the equivalent of 35 football pitches, and have generated over CHF 470,000 for our activities in Mozambique, Switzerland and Zambia.



Participants of the Zanaco Green Innovation Challenge powered by WfW.
© Chipema Chinyama, WfW

SUSTAINABILITY TRANSITIONS AND INNOVATION

ZAMBIA Since WfW was founded in 2012, our activities in Zambia and Mozambique have been dependent on the cash flow from Switzerland. An important part of the vision of mutually complementary local organisations on two continents is that financial resources are generated in all countries on the respective local market. This reduces North-South dependencies and enables the development of local WfW ecosystems.

WfW Zambia's services in the area of sustainability and innovation offer Zambian companies the opportunity to actively contribute to overcoming socio-ecological problems and have a positive impact on society. We provide advisory services to support companies and institutions in the development and implementation of Corporate Social Innovation (CSI) initiatives in the area of environmental sustainability.

The year 2023 marks a milestone in the history of WfW. With Zanaco, WfW Zambia was able to gain the country's largest bank as its first sustainability service partner on the African continent. The joint implementation of the Green Innovation Challenge was a great success and was honoured with the 'Best Green Challenge' award. Over 100 start-ups focussing on sustainability registered for the challenge. In a process designed and supported by WfW, we offered the unique opportunity to take part in a business and design boot camp, discuss strategic issues with experts and receive support in adapting services or products to the market. Ten entrepreneurs qualified for the final round, and three ultimately won start-up funding. The challenge not only helped the start-ups to progress, but also contributed to the financing of our activities.

ANNUAL FINANCIAL STATEMENTS

Thanks to the trusting cooperation with our long-term partners, we have been able to move forward our internationalisation and localisation activities in a targeted manner while maintaining our financial stability.

This emphasises the value of long-term partnerships for sustainable impact.

OVERVIEW OF EARNINGS

Operating income in 2023 totalled at CHF 2,360,410.88 and was almost 4% higher than in the previous year. As can be seen in this annual report, this year was dominated by the internationalisation and localisation of WfW organisations in Mozambique and Zambia.

We are convinced that the establishment of competent, local implementing organisations will not only pay off financially, but will also open up new opportunities for WfW, particularly in the development of institutional partnerships and local value chains. While we once again achieved record income in the WfW GASTRO & HOTEL division, we were unable to achieve our growth targets in the WfW COMPANY division. There are many reasons for this, including an economic and geopolitical environment characterised by uncertainty. However, it is still the case that income from our more than 600 service partnerships and the associated product sales account for more than 60% of total income.

OVERVIEW OF EXPENSES

Operating expenses totalled at CHF 2,341,414.46, an increase of over 18% compared to the previous year. Of this amount, CHF 1,360,657.81 or around 58% was used for our activities in Mozambique and Zambia, while CHF 640,902.00 (27%) was used for activities in Switzerland.

Our enabling activities, such as administration and fundraising, are also essential to the successful realisation of our activities. Together, they account for

around 13% of total expenditure. They have always been at a low level compared to the rest of the sector, which demonstrates our ongoing endeavours to keep these expenses low and always use the money entrusted to us as efficiently as possible.

AUDITING OF THE ANNUAL FINANCIAL STATEMENT

The federally recognised auditors OPES AG audited the annual financial statements for the financial year ended on December 31st, 2023 and found them to be in compliance with the law and the Articles of Association.

BALANCE SHEET

	2023		2022	
	CHF	%	CHF	%
ASSETS				
Treasury	469.45		1,549.30	
LUKB, Vereinskonto 1	552,166.26		576,703.89	
LUKB, Vereinskonto 2	193,703.88		90,163.17	
LUKB, Spendenaktion	61,928.10		127,318.72	
LUKB, WfW Pay GASTRO	21,178.56		130,682.92	
LUKB, Konto USD	24,014.62		26,400.15	
LUKB, Konto Crowdfunding	12,745.29		12,742.64	
Liquid Assets	867,206.16	63.19	965,560.79	74.09
Receivables from Third Parties	221,939.54		161,201.16	
Receivables from Deliveries and Services	221,939.54	16.17	161,201.16	12.37
LUKB, Rent Deposit	80,946.02		21,095.60	
Directorate General of Customs, ZAZ Deposit	1,000.00		1,000.00	
Other Current Receivables	81,946.02	5.97	22,095.60	1.70
Inventories	126,992.35		64,879.20	
Inventories and Unbilled Services	126,992.35	9.25	64,879.20	4.98
Accrued Income and Prepaid Expenses	12,402.50		31,049.50	
Accrued Income and Prepaid Expenses	12,402.05	0.90	31,049.50	2.38
Current Assets	1,310,486.12	95.48	1,244,786.25	95.52
Office Furniture	58,190.10		49,957.00	
IT Infrastructure/Website	3,803.00		8,400.00	
Vehicles	1.00		0.00	
Tangible Assets	61,994.10	4.52	58,357.00	4.48
Fixed Assets	61,994.10	4.52	58,357.00	4.48
Total Assets	1,372,480.22	100.00	1,303,143.25	100.00
LIABILITIES				
Liabilities to Third Parties	38,086.20		23,218.32	
VAT Liabilities	0.00		822.01	
Liabilities from Deliveries and Services	38,086.20	2.77	24,040.33	1.84
Accrued Expenses and Deferred Income	42,429.75		2,101.40	
Accrued Expenses and Deferred Income	42,429.75	3.09	2,101.40	0.16
Current Liabilities	80,515.95	5.87	26,141.73	2.01
Long-term Liabilities	0.00	0.00	0.00	0.00
Liabilities	80,515.95	5.87	26,141.73	2.01
Funds tied to Project Grants Africa	342,566.27		347,529.92	
Fund Capital Africa	342,566.27	24.96	347,529.92	26.67
Funds tied to Project Grants Switzerland	91,302.18		95,798.58	
Fund Capital Switzerland	91,302.18	6.65	95,798.58	7.35
Association Capital per 01.01.	833,673.02		533,076.23	
Annual Result	24,422.80		300,596.79	
Organisational Capital	858,095.82	62.52	833,673.02	63.97
Total Liabilities	1,372,480.22	100.00	1,303,143.25	100.00

INCOME OVERVIEW

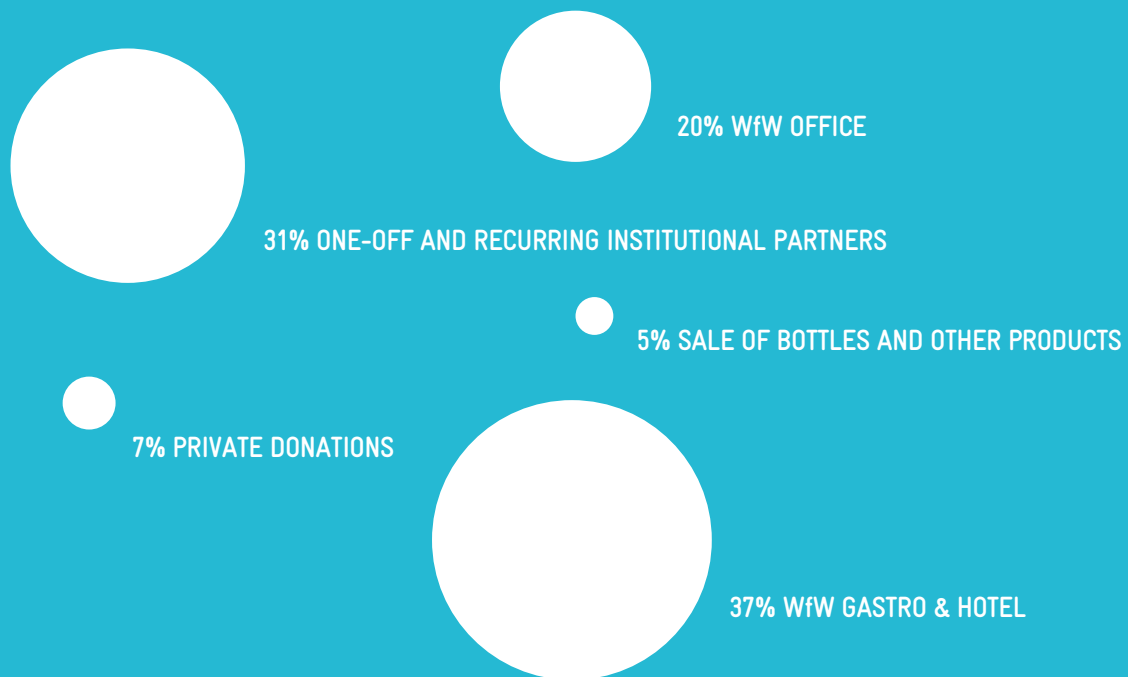
	2023		2022	
	CHF	%	CHF	%
Service Income WfW GASTRO & HOTEL	869,107.41	36.82	629,725.76	27.38
Service Income WfW OFFICE	473,707.70	20.07	558,960.80	24.30
Service Income WfW SCHOOL	8,962.40	0.38	2,454.46	0.11
Recurring Institutional Partners	440,389.80	18.66	318,500.00	13.85
One-off Institutional Partners	277,699.15	11.76	343,887.27	14.95
Private Donations	168,876.28	7.15	175,248.22	7.62
Partnerships	2,238,742.74	94.85	2,028,776.51	88.20
Sale of Bottles	114,520.28	4.85	127,343.46	5.54
Sale of other Products	7,345.15	0.31	3,439.31	0.15
Product Revenue	121,865.43	5.16	130,782.77	5.69
Consulting	0.00	0.00	140,758.88	6.12
Service Revenue	0.00	0.00	140,758.88	6.12
VAT	-197.29	-0.01	0.00	0.00
Reduction of Revenue	-197.29	-0.01	0.00	0.00
Operating Revenue	2,360,410.88	100.00	2,300,318.16	100.00

EXPENSES OVERVIEW

	2023		2022	
	CHF	%	CHF	%
Africa Projects Expenditure	1,360,657.81	57.64	1,259,108.03	54.74
Switzerland Projects Expenditure	640,902.00	27.15	533,193.21	23.18
Fundraising Expenditure	149,046.98	6.31	85,310.91	3.71
Administration Expenses	163,951.67	6.95	95,974.78	4.17
Depreciation	28,856.00	1.14	3,410.75	0.15
Operating Expenses	2,341,414.46	99.20	1,976,997.68	85.94
Operating Result	18,996.42	0.80	323,320.48	14.06
Financial Income	384.23	0.02	0.00	0.00
Effect of Exchange Rates Changes	-3,631.65	-0.15	-4,294.45	-0.19
- Financial Expenditure	-786.25	-0.03	-797.01	-0.03
Financial Result	-4,033.67	-0.17	-5,091.46	-0.22
Result before Change in Fund Capital	14,962.75	0.63	318,229.02	13.83
Change in Funds tied to Project Grants Africa	4,963.65	0.21	-10,801.23	-0.47
Change in Fund Capital Africa	4,963.65	0.21	-10,801.23	-0.47
Change in Funds tied to Project Grants Switzerland	4,496.40	0.19	-6,831.00	-0.30
Change in Fund Capital Switzerland	4,496.40	0.19	-6,831.00	-0.30
Annual Result	24,422.80	1.03	300,596.79	13.07

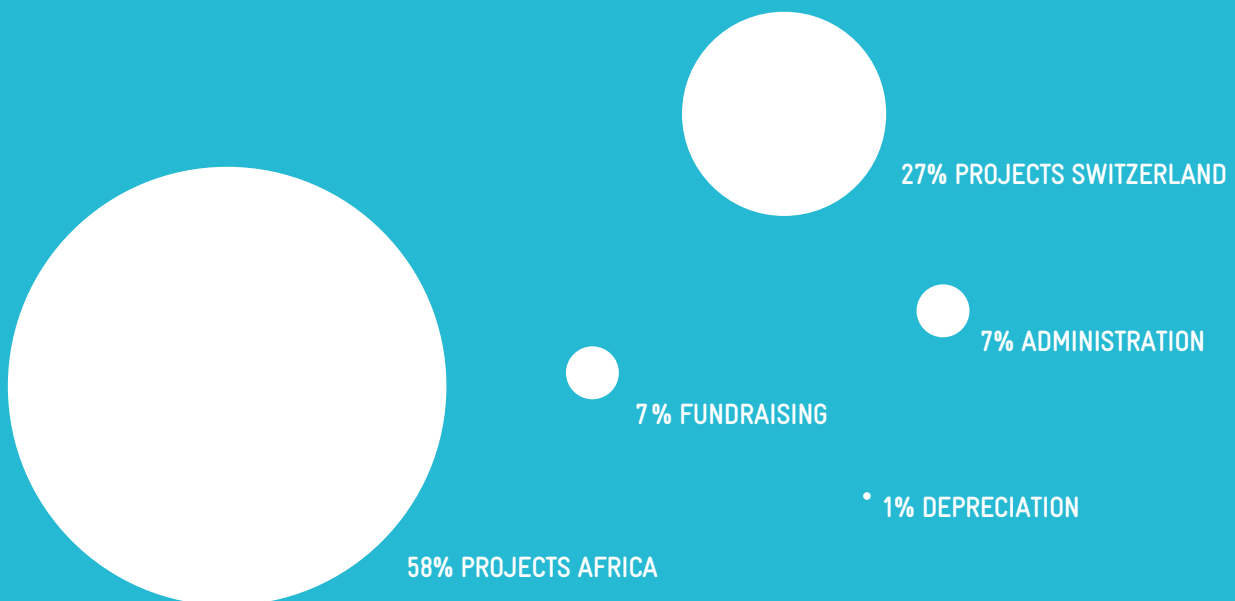
INCOME IN PROPORTION

WITH OPERATING INCOME AT 100%



EXPENSES IN PROPORTION

WITH OPERATING EXPENSES AT 100%



WE SAY THANK YOU

The diverse and inspiring WfW network is the foundation of our work. We would like to thank all our Sustainability Service Partners, some of whom have been with us since WfW was founded in 2012. We would like to thank our institutional partners from the private and public sectors for their valuable cooperation and their trust in our organisation. We would like to thank all WfW friends who, as part of the Enabling Club or as private individuals, provide us with an immensely important freedom for organisational development and independence with their unrestricted contributions. And we would like to thank all of our implementation partners who we can count on to help us realise our activities.

With a heartfelt thank you and a lot of water love,
The entire WfW team



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Your financial support enables our activities for a fair and sustainable use of water in Mozambique, Switzerland and Zambia.

You can find more information about the work of WfW at: wfw.ch

Editorial and design: WfW