

AUDIT

Audit of the Swiss Government Cloud key project, with an emphasis on the business case

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KEY FACTS

Cloud computing services are a centrepiece of the Federal Administration's digitalisation. The Federal Chancellery's Digital Transformation and ICT Steering Sector (DTI) has laid the foundations for their use, in particular through a model of cloud levels (public cloud; public cloud based in Switzerland; and the Confederation's private cloud). The Confederation's current cloud infrastructure, called Atlantica, will soon be obsolete, and the Federal Office of Information Technology, Systems and Telecommunication (FOITT) has been tasked with replacing it. In December 2024, Parliament approved the commitment appropriation of CHF 246.9 million for implementation of the Swiss Government Cloud (SGC) programme. On behalf of the General Secretariat of the Federal Department of Finance (FDF), the FOITT is managing the rollout of the SGC, scheduled to take place between 2025 and 2032 at a cost of CHF 319.4 million. However, expenditure related to the use of cloud services and application migration are not included in this amount and will be borne by the service users (i.e. the offices using the cloud). For this first audit of the programme, the Swiss Federal Audit Office (SFAO) examined the documentation of needs and the return-on-investment calculations.

Work on the SGC programme has started, and the future solution is under development. Among the issues being addressed, the SFAO notes the cataloguing of the DTI's skills relating to the programme, the design of the future platform based on a needs assessment, and the digital sovereignty aspect. It points out that the SGC's economic attractiveness for the Confederation as a whole has yet to be demonstrated. The programme has planned such a calculation for 2026, but this is a crucial issue, and so the SFAO has nevertheless issued a recommendation. Finally, the risks of delays in public procurement and the migration to the new platform must be carefully managed, which the programme is doing at this stage.

Development of the SGC programme continuing; key issues on the radar

In 2023, the FOITT surveyed the expectations of service users and providers regarding the SGC programme. These were documented and were subject to a consultation procedure with the relevant offices; any differences were ironed out. A number of key themes emerged, such as cloud governance, automation and digital sovereignty. The future volumes required (e.g. in terms of processors, memory and storage) were also assessed and distributed across the three cloud levels. The trend shows a shift towards greater use of the public cloud. However, use of the SGC is not currently defined as mandatory and service users have not made any firm commitment regarding their future consumption. These figures therefore remain estimates, and are potentially volatile. The FOITT will update them in 2026.

Based on these needs, SGC development is continuing in the form of 11 projects. Public procurement contracts are also being prepared, which is a complex process. Acquisitions for the three cloud levels will be made on the basis of framework contracts, using a "pay as you go" model. Contractual quantities are determined on the basis of volume estimates, including cantonal and communal needs, but they are not binding on service users. Designing the future solution is not straightforward, especially for the Confederation's private cloud, where hardware has to be installed. To reduce the financial and technical risk, the plan is to work

[REDACTED]. The contractual quantities were not yet known at the time of the audit, but the programme estimates suggest that the total value of the framework contracts for the three levels

over 15 years could be in the region of [REDACTED] Swiss francs – although payment will be based on actual use of the infrastructure.

The SGC is intended to contribute to digital sovereignty. This is currently a hot topic, and work on producing a general definition of this concept is still ongoing at federal level. In the meantime, the programme is being based on aspects set out in the Federal Council's dispatch on the SGC, especially those of data sovereignty and operational autonomy. It is working out the details of the measures required in this regard, but foresees serious questions about their feasibility and cost. Furthermore, the programme has decided against managing any explicit risk related to digital sovereignty, as it is unable to define mitigation measures at this level. The SFAO considers the reasoning plausible at this stage, but reserves the right to re-examine the relevance of this decision in future audits.

The SGC's economic attractiveness not yet checked at federal level

Alternative solutions have been defined based on the phasing of cloud level implementation and have been evaluated. The scenario of parallel construction of the three levels yields the best results and is being pursued by the programme. Details of the expenditure involved in the chosen solution, broken down into action areas (e.g. cybersecurity), and of its benefits have been described, but are focused on the FOITT.

However, there is currently no analysis of the SGC's attractiveness that extends to service users, as the prices offered by providers for cloud services are not yet known. The programme has planned a Confederation-wide analysis as part of the work to define the market service. This is due to take place before summer 2026. Given the stakes involved, the SFAO has made an explicit recommendation in this regard.

The challenges of business process automation and migration

One of the programme's projects aims to automate order management and services for users. Among other things, a self-service portal is currently being developed. However, the complexity involved in rolling out such automation must not be underestimated. Furthermore, rapid order processing also depends on the responsiveness of suppliers. The latter is a given for the public cloud, but might be more complicated for the Confederation's private cloud. The efficiency and speed of service order management will need to be verified in practice.

Finally, the decommissioning of the current platforms depends on the success of the migration project, which is scheduled to be completed between 2027 and 2030. The FOITT plans to deliver tools and processes to support service users. However, not all the details are available yet and the SFAO can see at least two risks here. First, the technical aspects of the migration could involve some surprises, due to the sheer volume of applications to be migrated and their heterogeneity. The programme intends to resolve this problem by grouping applications together in order to speed up the work and has brought forward its start date. Second, service users are responsible for planning personnel resources and tasks and for financing the migration. Given the realities of their resources and priorities, it is unclear at present how they can be encouraged to commit to the migration process in a timely and energetic manner. The programme has correctly identified migration as one of its major risks and is addressing this accordingly.