

Annual Financial Report 2017



The Steering Committee and the Executive Secretary of Global Water Partnership
present the following annual financial report

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Annual Financial Report 2017

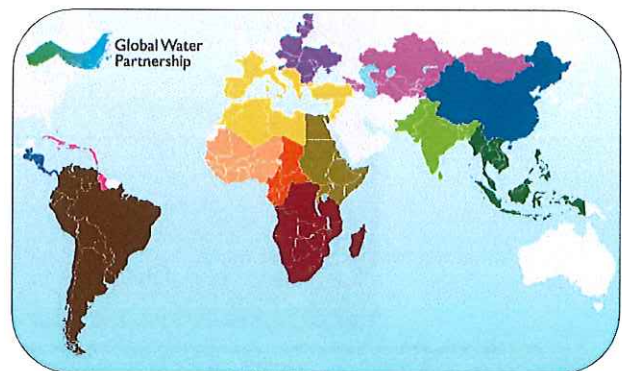
Executive Summary

The network

The Global Water Partnership (GWP) is a non-profit global action network with a focus on building water security at country, regional, and global levels. GWP was established in 1996 as a multi-stakeholder partnership of government agencies, public institutions, private companies, professional organisations and multilateral development agencies and has been growing rapidly. It works to facilitate dialogues and to support countries which are implementing processes for the sustainable management of their water resources. GWP is funded by a range of Financing Partners.

GWP provides a neutral platform for multi-stakeholder dialogue in 13 regions of the world, namely: Southern Africa, Eastern Africa, Central Africa, West Africa, the Mediterranean, Central and Eastern Europe, Caribbean, Central America, South America, Central Asia and the Caucasus, South Asia, Southeast Asia, and China.

At the end of 2017, the Network had 13 Regional Water Partnerships, 62 Country Water Partnerships, and 3,599 Partners located in 183 countries.

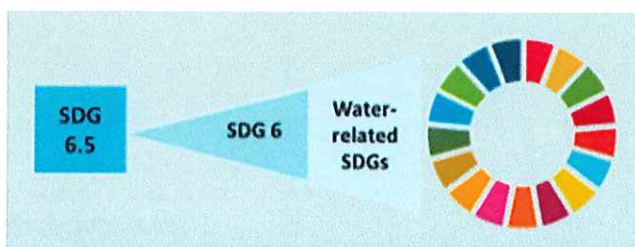


Organisation

The GWP Organisation (GWPO) is managed by an Executive Secretary, who reports to the Steering Committee. The Steering Committee is the executive body of the Organisation. It develops, steers, and organises the work of the Organisation and guides the co-operation among the Partners within the Network. It provides policy oversight and approves the work programme and budget. Steering Committee members serve in their personal capacities. The Steering Committee and its Chair are appointed by the Sponsoring Partners, comprising the ten founding members of the GWPO.

The GWPO was established as an intergovernmental organisation in 2002 and is hosted by the Government of Sweden. The GWP Global Secretariat had an average of 25 staff supported by core funds during 2017, one staff supported by earmarked funds, and one staff seconded by the French Government.

The Programme



In 2017, GWP demonstrated that its on-the-ground partnership can be harnessed to inform the global development agenda with local realities. For example, UN Environment, the custodian agency of the Sustainable Development Goal (SDG) 6.5.1 indicator (degree of integrated water resources management [IWRM] implementation), asked GWP to convene more than 30 workshops to collect

Key outcomes in 2017

- More than 40 key water governance outcomes influenced
- Around 100 national institutions received assistance in relation to governance processes
- More than 10 investment plans supported at different levels, including infrastructure programmes worth more than €1 billion
- National climate adaptation planning supported in 9 countries
- Adaptation Fund resources of around €18 million identified for scaling up existing drought and flood management initiatives in Africa
- Youth for Water and Climate prototype platform launched with more than 100 declarations of support
- More than 30 national SDG 6 workshops organised in collaboration with UN Environment
- Investment of around €320 million influenced by GWP activities
- More than 100 knowledge dissemination publications produced
- South-South learning exchanges organised through 15 events.

support through its Sustainable Development Goal (SDG) Programme and its Water, Climate, and Development Programme. These are the main vehicles through which GWP engages with its Partners to organise programmes in response to global goals and commitments. Meanwhile, more global organisations are looking to take advantage of GWP's unique benefits and support for national processes, particularly the water-related SDGs, National Adaptation Plans (NAPs), and Nationally Determined Contributions (NDCs). GWP supports countries by advocating for the inclusion of water perspectives in National Adaptation Plans (NAPs), thereby making water management a part of implementing NDCs.

Support for mandated institutions at country level has been a highlight of 2017, with almost 100 national institutions receiving assistance in relation to governance processes such as SDG implementation, NAPs, and access to climate finance.

Resource mobilisation

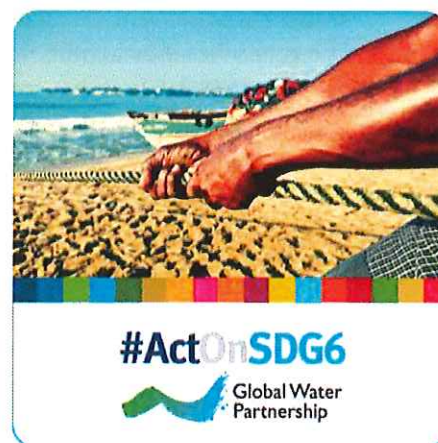
Recent years have seen a shift away from traditional donor funding specifically for water projects, and towards a broader spectrum of funding methods and providers. In response, GWP is aiming to diversify its funding base at both global and local levels, while at the same time sustaining current levels of core institutional funding. One of its main strategies is to strengthen the capacity of local GWP members to build new alliances and raise funds, thus reducing regional dependency on globally sourced finance. The total amount raised locally varies

country data. The findings will form part of the SDG 6 baseline data to be included in UN-Water's *SDG 6 Synthesis Report 2018 on Water and Sanitation*, which is an input to the High-Level Political Forum on Sustainable Development, to be held in July 2018. The workshops highlighted national priority areas for IWRM, which will be used by GWP and its partners to develop integrated interventions to advance SDG 6.

'Water crises' have been among the top-ranked global risks for the past several years in the World Economic Forum's *Global Risks Report*. In the 2018 report, at least six of the top ten greatest impact risks are water-related. That alone is a strong argument for the need to finance water security. One lesson GWP has learned through its climate programme is that the communities most in need of financing require support in identifying and preparing projects for investment. Through capacity building for project development, GWP has helped secure €20 million since 2014 in climate financing for vulnerable communities in Africa. The implementation of those investment plans has the potential to protect nearly 74 million people from water crises.

GWP programme focus

As global sustainable development initiatives converge around the Paris Agreement and the United Nations Agenda 2030, GWP is responding by streamlining its



year by year, and in 2017 amounted to €3.0 million, the second highest level in the history of GWP.

When the High Level Panel on Water needed to listen to diverse voices for its Valuing Water initiative, our natural port of call was GWP’s on-the-ground multi-stakeholder partnership, which we knew could be quickly mobilised. Its contribution to the panel’s outcome document ensures that this global initiative has a high degree of ownership, because it has been informed by local realities.

Jennifer J. Sara, Director, Water, World Bank Group

At the global level, GWP focuses on positioning itself as the partner of choice in adding value to global agendas. GWP entered negotiations to explore funding with a set of priority development institutions. These efforts are underpinned by a communications strategy that aims to sharpen GWP’s value proposition and increase its visibility to major donors. For example, at World Water Week 2017, GWP partnered with the Green Climate Fund and African Ministers’ Council on Water to host a donor’s breakfast. The meeting stressed the imperative to invest in water governance and the enabling environment as a prerequisite for bridging the water financing gap.

Sharing knowledge

The number of South-South learning exchanges increased to 15 (from ten in 2016) and more than 100 publications have been produced and disseminated. The GWP Technical Committee in 2017 published:

Measuring transboundary water cooperation: options for Sustainable Development Goal Target 6.5 (No. 23, 2017)

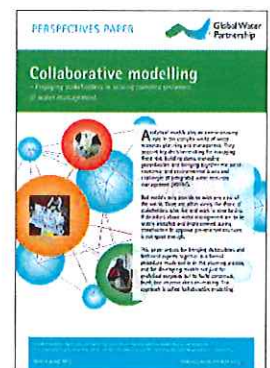
This paper provides guidance on monitoring implementation of SDG 6.5 and highlights the limitations and advantages of these methods.

Coordinating land and water governance for food security and gender equality (No. 24, 2017)

This paper explores the benefits of a coordinated approach to land and water governance to address the food security challenge, and the need to tackle gender inequality in access to and control over land and water.

Collaborative modelling – Engaging stakeholders in solving complex problems of water management (Perspectives Paper No. 10, 2017)

The role of analytical models in the complex world of water resources planning and management support key decision-making, for example when dealing with flood risks, building dams, or managing groundwater, and they bring together social, economic, and environmental issues. But models only provide us with one view of the world. This paper argues for bringing stakeholders together much earlier in the planning process to ensure solutions are developed in a participatory manner, thus improving the outcome of their implementation.



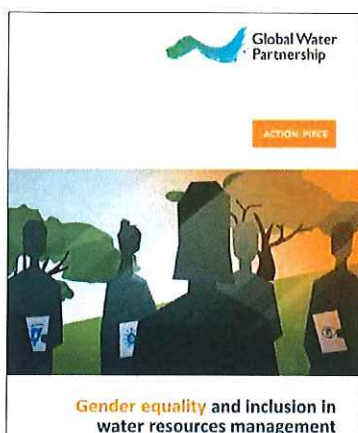
The Youth for Water and Climate Platform



GWP, in close collaboration with the International Secretariat for Water, AgroParisTech, and other partners, facilitated the support needed to scale up youth action on water and climate and empower young water professionals to become true agents of change. So far, 103 organisations and individuals have signed a declaration of intent to offer support to YWC. In 2017, GWP and partners established a consortium to lead YWC's activities. GWP also helped develop a new digital platform to support the youth groups in developing concepts, project proposals, and fundraising, as well as promoting their activities within the global climate agenda. This platform will help turn their ideas into reality by connecting young water leaders with potential partners and donors. A prototype of the YWC platform was presented at World Water Week.

Women and water

In 2017, GWP commissioned research to analyse the key gaps and opportunities in further mainstreaming gender in integrated water resources management and sanitation. The findings were discussed at a High-Level Meeting on Gender Equality and Social Inclusion held in Stockholm in June, supported by the UK Department for International Development.



GWP mobilised its network to bring together leading practitioners from a variety of sectors and countries to share experiences and define the way ahead. Participants agreed that the economic and social benefits associated with reducing inequality have already been proven, but stakeholders still fail to act on this evidence. Maitreyi Bordia Das, Global Lead for Social Inclusion at the World Bank, said: “the narrative of gender and water is still stuck in an old framework of female vulnerability or women being a homogenous group,” adding that better use and analysis of existing data is the way forward. Rajib Ghosal, Gender and Social Specialist with the Green Climate Fund, brought up uneven power relations at community level and archaic social norms as persisting obstacles to progress.

Based on the findings of the research, and discussions at the meeting, GWP published an *Action Piece*. This synthesised the inputs of representatives from 25 organisations in the fields of water governance and management, gender equality, and inclusion policy. The publication identifies four key areas for action: institutional leadership and commitment, gender and inclusion analysis, meaningful and inclusive participation in decision-making and partnerships, and equal access to and control of resources.

Future Developments

In 2018, GWP begins its transition to a new strategy period that starts in 2020. The transition begins with an external evaluation followed closely by actively gathering input from the network and other key stakeholders that will inform early drafts of the strategy. A final strategy is expected to be adopted at the GWP Network Meeting in May 2019. During the current strategy (2014-2019), several initiatives have surfaced which will inform the new strategy:

- strengthening national capacity for delivery of results
- engaging GWP Partners to improve network vibrancy
- accessing climate finance and supporting countries in their climate resilience goals
- catalysing youth engagement and gender equality for greater impact on water management
- offering the private sector concrete solutions to connect water stewardship initiatives within IWRM frameworks, and further unlock private sector water action

Later in 2018, GWP will publish a strategy 'update' that will expand on the above initiatives as well as elaborate new directions, based on consultation with the network.

To lead this transition into a new strategy period, GWP announced in early 2018 the appointment of Dr Monika Weber-Fahr as its new Executive Secretary, effective on 7 May 2018. Monika Weber-Fahr succeeds Rudolph Cleveringa, who is retiring. Dr Weber-Fahr's latest position was Chief Operating Officer at Sustainable Energy for All, an international non-governmental organisation that promotes access to clean, affordable, and modern energy. There, she built organisational management structures and supported day-to-day operations serving a broad network of public-private partnerships. Dr Weber-Fahr holds a PhD in Business Economics, an MSc and a BSc in Economics, a Diploma in International Relations, and a Diploma in Corporate Governance.

Finance

Globally raised income

The number of financing partners channelling core funds through GWPO during 2017 were 12 (11 during 2016). The donors, Austria, China, Denmark, European Commission, France, Germany, Netherlands, Norway, Sweden, Switzerland, UNDP, and United Kingdom contributed a total of €10 million (€11.1 M 2016) in core funding.

Locally raised income

The regions and countries are encouraged to raise their own funds. During 2017, €3.0 million (€1.3M 2016) was raised by the regions/countries. In some cases, locally raised funding might be designated as globally raised because GWPO signed the agreement with the donor, but it was the region or country which secured the funding. For example, the Drin Project, funded by UNDP, is a project initiated by GWP Mediterranean.

In-Kind contributions

The income reported in the Annual Financial Report does not include funds provided in-kind from governments, organisations or individuals. Nevertheless, in-kind contributions are gratefully recognised as a substantial source of funding. GWPO received in-kind contributions from France at an estimated value of €90,000 during 2017 as well as approximately €0.8 million from other sources. GWP Regional Water Partnerships reported in-kind contributions of €2.4 million during 2017 (€2.6M 2016).

Globally raised designated income

Funds for designated activities were provided by the financial partners, European Commission, FAO, Netherlands, UNDP, UNEP/DHI, UNESCO, UNICEF, United Kingdom and the World Bank. The activities at regional, country level, and global level accounted for €2 million during 2017 (€1.7M 2016).

Income projection 2018

With the continued support by the Financing Partners, GWP has a budget of €10.9 million globally raised income, and €3.5 million globally raised designated income. Locally raised funds are estimated to reach €3.2 million.

For more information about GWP's worldwide activities, the *GWP in Action 2017 Annual Report* is available on the web site and on request from the GWP Secretariat in Stockholm.



GWPO is grateful for the contributions made by all its Partners and other stakeholders

**Host government of GWPO
Sweden**

Globally Raised General Income

Austria
China
Denmark
European Commission
France
Germany
Netherlands
Norway
Sweden
Switzerland
UNDP
United Kingdom

Globally Raised Designated Income

European Commission
FAO
Netherlands
UNDP
UNEP/DHI
UNESCO
UNICEF
United Kingdom
World Bank

Locally raised income

GWP CENTRAL AFRICA	UNICEF
GWP CENTRAL AMERICA	BID Mexichem
GWP CENTRAL AND EASTERN EUROPE	Central Europe Danube Transnational Programme GE Grundfos H2020 Hungarian Water Utility Association ICPDR Hungarian Energy and Public Utility Regulatory Authority Viziterv Environ Xylem
GWP CENTRAL ASIA AND CAUCASUS	GEF UNDP Kazakhstan Water Committee UNECE USAID
GWP CHINA	DWR Hebei DWR Hunan WRI YRCC
GWP EASTERN AFRICA	UNEP-DGI-GEMI
GWP MEDITERRANEAN	Austrian Development Agency BMU - German Ministry Nexus Centro Ecologica Coca Cola Foundation – Alter Aqua Coca Cola Foundation - Water for the City European Commission Government of Malta Niras Sweden Palestinian Water Authority Sida - Water Cooperation Sida – Gov. & Finance SIWI – Water Integ
GWP SOUTH ASIA	Hatton National Bank IFC World Bank
GWP SOUTHERN AFRICA	DANIDA GIZ SRF

Locally raised income

GWP WEST AFRICA

CAPNET
CIPCRE
Direction Générale de la Coopération
IRC
IUCN
PNE-BF's members
SIE
SNV
Société de Distribution d'Eau de Côte d'Ivoire (SODECI)
Société de Transformation Industrielle de Côte d'Ivoire (SOTICI)
UNDP/GEF
WMO

Income Statement

All amounts in Euro

	Note	2017	2016
Income			
Globally raised income	1	9 918 843	11 032 770
Globally raised designated income	2	2 010 248	1 728 040
Locally raised income	3	2 977 352	1 307 383
Other income	4	82 388	88 973
Total Income		14 988 832	14 157 166
Global expenditures			
Secretariat	5	-2 340 655	-2 331 540
Governance	6	-202 716	-263 180
Technical support and Knowledge Management	7	-597 905	-502 538
Total Global expenditures		-3 141 275	-3 097 259
Programme activities			
Network Operation	8	-930 559	-961 649
Regional expenditures	9	-2 340 206	-2 899 728
Water, Climate Development Programme	10	-2 709 209	-3 732 201
Thematic Programmes	11	-672 946	-265 990
Regional expenditures locally raised	3/9/10	-2 977 352	-1 307 383
General regional expenditures	12	-74 307	-156 354
Expenditures designated funds	13	-2 010 248	-1 728 039
Total Programme expenditures		-11 714 825	-11 051 344
Financial items			
Net interest and net exchange rate differences	14	-28 947	119 161
Total Financial items		-28 947	119 161
Net result for the year		103 785	127 724

Balance Sheet

All amounts in Euro

Assets	Note	2017-12-31	2016-12-31
Current assets			
Receivables Regional Water Partnerships	15	390 247	254 056
Receivables donors	16	914 494	943 724
Other receivables	17	148 723	159 084
Prepaid expenditures and accrued income	18	184 976	154 175
Total current assets		1 638 440	1 511 040
Cash and bank balances	19	6 044 151	5 278 295
Total Assets		7 682 592	6 789 335
Equity and Liabilities			
Equity			
Restricted equity	20		
Reserve fund		1 555 000	1 571 000
Currency rate fluctuation reserve		48 715	103 674
		1 603 715	1 674 674
Non-restricted equity	21		
Results brought forward		15 788	-16 273
Translation difference		-103 498	-111 663
Net result for the year		103 785	127 724
		16 075	-212
Total Equity		1 619 789	1 674 462
Current liabilities			
Advance payments from donors	22	4 313 080	4 112 871
Accounts payable		174 762	190 552
Liabilities Regional Water Partnerships	23	797 385	84 883
Other liabilities	24	513 033	558 368
Accrued expenditures	25	264 542	168 199
Total current liabilities		6 062 803	5 114 873
Total Equity and Liabilities		7 682 592	6 789 335
Pledged assets		None	None
Contingent liabilities		None	None

Cash flow statement

All amounts in Euro

	2017	2016
Net result before financial items	132 732	8 563
Adjustment for items not included in cash flow		
Exchange rate differences	-29 609	119 675
Translation difference equity	-103 498	-111 663
Interest received	675	276
Interest paid	-14	-790
Currency rate fluctuation reserve	-54 959	0
Net cash flow from operating activities before changes in working capital	-54 673	16 060
Decrease/Increase receivables regions/countries	-136 191	169 711
Increase receivables donors	29 230	-135 073
Increase/Decrease other receivables	-20 440	-32 678
Increase/Decrease advance payments from donors	200 209	1 155 671
Increase/Decrease accounts payable	-15 790	46 301
Decrease/Increase liabilities regions/countries	712 502	-263 261
Increase other liabilities	51 008	60 916
Net cash flow from operating activities	765 856	1 017 647
Net cash flow for the year	765 856	1 017 647
Cash and bank balances at the beginning of the year	5 278 295	4 260 648
Cash and bank balances at the end of the year	6 044 151	5 278 295

Notes

Accounting principles

The Annual Financial Report is prepared based on the principles of going concern and accrued accounting.

Generally accepted accounting principles in Sweden are used except for fixed assets and the currency rate fluctuation reserve (see below). The accounting principles applied are unchanged compared to 2016.

Currencies

The GWPO accounting currency is Swedish Kronor. EURO is used for reporting purposes. The exchange rate SEK/EUR ruling at the balance date is used for all assets and liabilities.

Expenditures are converted to EURO using the average quarterly rate, if the main part of the budget-line is accounted for by the GWP Network. If the main part of the budget-line is accounted for by the Secretariat in Stockholm, the conversion is made using the exchange rate prevailing on the 25th of each month.

Income Statement

Income and expenditures are disclosed according to their functions.

Income

Income is accounted for on an accrual basis.

Globally raised income are unrestricted contributions to be used by GWPO within the GWP Strategy and Work Plan.

Globally raised designated income are contributions where specific requirements, programmatic and /or geographical, are set by the donor.

Income for designated activities above the level of expenditures for the financial year are reported as advance payments.

Locally raised income are contributions raised by the Regional & Country Water Partnerships (RWP & CWP). The agreements are between the donor and the RWP/CWP and the disbursements from the donor are deposited in the RWP/CWP's bank account. The income is reported up to the level of expenditures. In addition to the reported income of 2,977,352 Euro, disbursements of Euro 3,798,139 have been received by the RWP/CWPs to be utilised during 2018 and onwards. Locally raised income is audited in accordance with the donor requirements or GWP audit requirements.

In-kind contributions

In-kind contributions are, per Swedish accounting principles, not to be reported in the Income Statement. An estimate of received in-kind contributions is given in the Executive Summary.

Pension costs

Pension premiums, calculated as a percentage of gross salary, are for most international staff deposited semi-annually at AMFIE (Association Mutualiste des Fonctionnaires des Organisations Intergouvernementales, Luxembourg). A provision of EUR 82,897 is reported as liability for premiums not paid to AMFIE by 31st December 2017.

Pension premiums for taxed staff, calculated as a percentage of gross salary, are paid monthly to the insurance provider.

Leased assets

All lease agreements, regardless of whether they are financial or operating in nature, are accounted for as rental agreements (operating lease agreements).

The leasing fee is expensed over the full period of the lease on a linear basis.

Fixed assets

GWPO records purchase of office and IT equipment as expenditures during the purchase year.

Office and IT equipment of EUR 20,569 (2016 EUR 30,530) has been recorded as expenditures in 2017. Accumulated purchase value since 1 July 2002 is EUR 479,626, out of which office equipment of EUR 247,169 is still in use.

Receivables

Based on individual assessment, receivables are reported at the amounts which they are anticipated to be received.

Liabilities

Liabilities are reported at their nominal amounts.

Equity

GWPO keeps a Reserve Fund as restricted equity. The Reserve Fund may be used in the event of a sudden and unforeseen shutdown of GWPO. The amount is approved by the GWPO Steering Committee in connection with the approval of the coming year's budget. The reserve fund shall be within the available equity.

Currency rate fluctuation reserve

The reserve was introduced 2005 as a facility to overcome distortions caused by fluctuations in the exchange rate, SEK versus other currencies kept by GWPO. The reserve cannot show a negative value and can only include gains and losses on bank balances.

Cash flow statement

The statement is prepared in accordance with the indirect method. The cash flow only includes transactions which generated ingoing or outgoing payments.

Note 1 Globally raised income	2017	2016
Austria, WACDEP	400 000	745 052
China	41 765	44 163
Denmark	1 600 744	1 596 867
Denmark, WACDEP	-	481 389
France, Ministere de l'Agriculture, Food Security	2 250	27 750
Germany	380 000	300 000
Netherlands	-	1 500 000
Norway	539 269	-
Sweden	2 280 060	1 555 208
Sweden cost compensation taxes and rent	824 400	847 423
Switzerland	200 000	919 629
United Kingdom	3 650 354	3 015 290
Sum	9 918 843	11 032 770
Note 2 Globally raised designated income		
DFID, Gender Workshop	12 654	-
DHI/UNEP, Country Level Monitoring and Reporting SDG 6.5.1	68 003	-
European Commission, AfriAlliance — H2020-WATER-2014-2015	6 045	13 083
European Commission, Trans-boundary Water Management "SITWA"	-	593 317
European Commission, Water for growth and poverty reduction "Mekrou"	629 003	486 531
European Commission, Fostering Water, Energy and Food Security, SADC	105 805	-
FAO, consultancy "Interaction water problems and human migration"	9 781	-
The Netherlands, contribution HLPW Cacena and Peru	13 036	-
UNDP, Enabling transboundary cooperation and IWRM in the Drin River Basin	892 473	535 705
UNESCO, Support Regional Cooper. on Shared Water Resources "IWLearn"	39 920	-
UNICEF, WASH and Climate Resilient Development	174 968	99 405
World Bank, HLPW Valuing Water Initiative	58 559	-
Sum	2 010 248	1 728 040
Note 3 Locally raised income		
GWP Central America	17 608	-
GWP Central Asia and Caucasus	124 266	44 538
GWP Central and Eastern Europe	147 877	81 850
GWP China	61 587	71 216
GWP Eastern Africa	7 582	-
GWP Mediterranean	1 646 676	931 435
GWP South Asia	55 804	49 141
GWP Southern Africa	208 844	-260
GWP West Africa	198 251	257 485
Subtotal	2 468 495	1 435 405
GWP Central Africa WACDEP	90 746	-187 560
GWP Mediterranean WACDEP	12 084	16 015
GWP Southern Africa WACDEP	406 027	43 523
Subtotal	508 857	-128 022
Sum	2 977 352	1 307 383

	2017	2016
Note 4 Other income		
European Commission, "Mekrou", administrative fee	44 030	34 057
European Commission "SITWA", administrative fee	-	41 532
European Commission "Water, Energy, Food SADC", administrative fee	7 406	-
UNDP DRIN Project, management fee	16 633	10 112
UNESCO, "IWLearn", management fee	2 794	-
World Bank, HLPW, management fee	8 788	-
Other income	2 737	3 271
Sum	82 388	88 973
Note 5 Secretariat costs		
Salaries and allowances	1 290 694	1 244 180
Insurances	44 212	44 787
Pension costs	205 298	206 217
Training	67 326	20 231
Recruitment	42 097	4 748
Other staff costs	13 354	13 055
Travel	56 239	63 581
Rent and office expenditures	372 459	382 053
Audit, legal and other consultancies	34 511	57 207
Communication/IT expenditures	214 463	295 480
Sum	2 340 655	2 331 540
Staff costs;		
Secretariat (Note 5)	1 662 981	1 533 219
Technical Committee (Note 7)	9 619	32 241
Knowledge Management & Toolbox (Note 7)	104 913	147 045
Network Operations (Note 8)	828 185	822 399
Global WACDEP (Note 10)	41 469	103 447
Global WACDEP Africa (Note 10)	90 850	136 904
GWP Global WACDEP, WASH UNICEF (Note 10)	39 874	44 552
Water Security SDG (Note 11)	55 763	-
WMO Flood and Droughts (Note 11)	83 225	79 041
Sum	2 916 879	2 898 847

The average number of employees calculated on a full time basis;

Female	13.7	13.8
Male	10.9	11.2
	24.6	25.0

Staff not included in core;

Average number of employees paid in-kind by France	1.0	1.0
Average number of employees paid by designated/earmarked funds	1.0	1.3

Note 10 Water, Climate Development Programme	2017	2016
GWP Caribbean	-	63 639
GWP Central America	80 244	136 004
GWP Central Asia & Caucasus	96 880	164 586
GWP Central & Eastern Europe IDMP	90 935	79 374
GWP China	97 809	152 499
GWP Eastern Africa, IDMP	48 632	158 263
GWP Global WACDEP	50 942	123 879
GWP Global WACDEP, WASH UNICEF	33 109	43 994
GWP Mediterranean	50 000	75 000
GWP South America	92 166	177 768
GWP South Asia	106 822	145 102
GWP South Asia, IDMP	15 390	-
GWP South East Asia	84 432	155 860
GWP Southern Africa	88 277	-
GWP Southern Africa, IDMP	36 570	-
GWP West Africa, IDMP	89 992	195 404
Subtotal WACDEP	1 062 200	1 671 372
GWP Central Africa	209 305	-14 457
GWP Eastern Africa	101 410	221 901
Global Africa GWPO	124 966	139 303
GWP Mediterranean	212 084	261 219
GWP Southern Africa	1 203 017	895 607
GWP Southern Africa, funds managed on behalf of GWP Eastern Africa	88 567	50 630
GWP West Africa	216 516	378 604
Subtotal WACDEP Africa	2 155 865	1 932 807
Sum	3 218 066	3 604 179
Regional expenditures WACDEP Africa, locally raised funds, Note 3	-508 857	128 022
Sum	2 709 209	3 732 201
Note 11 Thematic Programmes expenditures		
Deltas - Climate Resilience	18 800	2 473
Food/Nexus	66 906	51 231
Gender & Water	34 996	-
Integrated Urban Water Management	25 747	33 325
Transboundary	111 001	45 902
Water Security SDG	183 117	-
WMO Flood and Droughts	129 401	133 059
Youth & Water	102 977	-
Sum	672 946	265 990
Note 12 General regional expenditures		
Annual Regional Meeting	26 874	42 386
Network Institutional Strengthening	17 441	39 342
Regional and Thematic Support	29 993	74 626
Sum	74 307	156 354

	2017	2016
Note 6 Governance costs		
Steering Committee	198 791	221 114
EC Pillar Assessment	-	21 919
20th Anniversary	-	16 112
Other governance costs	3 925	4 036
Sum	202 716	263 180
Note 7 Technical support and Knowledge Management		
GWP Technical Committee	271 166	254 495
Knowledge Management & Toolbox	256 575	219 110
Resource Mobilisation/Programme Development Support	70 164	28 934
Sum	597 905	502 538
Note 8 Network Operations costs		
Salaries and allowances	687 126	665 846
Insurances	28 805	26 969
Pension costs	103 245	105 014
Other staff costs	9 009	24 571
Travel and other costs	102 374	139 250
Sum	930 559	961 649
Note 9 Regional expenditures		
GWP Caribbean	56 143	150 839
GWP Central Africa	184 832	179 850
GWP Central America	208 871	214 739
GWP Central Asia & Caucasus	324 881	294 461
GWP Central & Eastern Europe	342 651	323 092
GWP China	282 011	354 622
GWP Eastern Africa	202 094	256 147
GWP Mediterranean	1 846 711	1 166 756
GWP South America	163 998	216 356
GWP South Asia	256 229	289 516
GWP South East Asia	151 254	251 187
GWP Southern Africa	410 569	166 756
GWP West Africa	397 683	492 495
Exchange rate differences	-19 225	-21 682
Sum	4 808 701	4 335 133
Regional expenditures financed by locally raised funds, Note 3	-2 468 495	-1 435 405
Sum	2 340 206	2 899 728

Note 13 Expenditures designated funds	2017	2016
DFID, Gender Workshop	12 654	-
DHI/UNEP, Country Level Monitoring and Reporting SDG 6.5.1	68 003	-
European Commission, AfriAlliance	6 045	13 083
European Commission, Mekrou/West Africa	564 451	464 598
European Commission, Mekrou/GWPO	64 552	21 933
European Commission, SITWA/OMVS	-	451 310
European Commission, SITWA/GWPO	-	142 006
European Commission, Fostering Water, Energy, SADC/Southern Africa	98 155	-
European Commission, Fostering Water, Energy, SADC/GWPO	7 650	-
FAO, consultancy "Interaction water problems and human migration"	9 781	-
The Netherlands, High Level Panel on Water; Cacena and Peru	13 036	-
UNDP, Drin Project, GWP Mediterranean	892 473	535 705
UNESCO, Support Regional Cooperation on Shared Water Resources "IWLearn"	39 920	-
UNICEF, WASH and Climate Resilient Development	174 968	99 405
World Bank, HLPW Valuing Water Initiative	58 559	-
Sum	2 010 248	1 728 039
Note 14 Interest and net exchange differences		
Interest income	675	276
Interest expense	-14	-790
Exchange rate differences	-29 609	119 675
Sum	-28 947	119 161
Note 15 Receivables Regional Water Partnerships	2017-12-31	2016-12-31
GWP Caribbean	-	6 338
GWP Central Africa, claim Jean-Pierre Bidjocka	3 318	-
GWP Central Africa, claim CWP Central African Republic	1 421	-
GWP Central America	-	7 004
GWP Central Asia & Caucasus	-	2 901
GWP Central & Eastern Europe	71 871	-
GWP China	40 769	20 319
GWP Eastern Africa	1 703	63 177
GWP Mediterranean, DRIN Project	29 009	5 543
GWP South America	21 648	-
CWP Peru	1 891	-
GWP South Asia	10 355	38 047
GWP Southern Africa	-	57 927
GWP Southern Africa, Fostering Water, Energy and Food Security, SADC	84 464	-
GWP South East Asia	17 109	5 881
GWP West Africa Mekrou	106 689	43 364
OMVS SITWA	-	3 555
Sum	390 247	254 056

Note 16 Receivables donors	2017-12-31	2016-12-31
European Commission, Water for growth and poverty reduction "Mekrou"	273 021	221 035
European Commission, Transboundary Water Management "SITWA"	-	156 998
European Commission, AfriAlliance	1 354	-
FAO, consultancy "Interaction water problems and human migration"	5 538	-
The Netherlands, High Level Panel on Water; Cacena and Peru	13 999	-
Sweden, Ministry for Foreign Affairs, compensation taxes	512 469	540 894
UNICEF, WASH and Climate Resilient Development	58 481	24 797
DHI/UNEP, Country level reporting and monitoring 6.5.1	25 040	-
World Bank, High Level Panel on Water	24 590	-
Sum	914 494	943 724

Note 17 Other receivables

VAT claim	27 226	51 386
Accounts receivable	25 659	10 935
Vasakronan - deposit rent	91 526	94 330
Receivables staff	1 322	1 420
Other receivables	2 990	1 014
Sum	148 723	159 084

Note 18 Prepaid expenditures and accrued income

Prepaid insurances	42 461	44 865
Prepaid rent quarter 1 2018/2017	74 370	75 472
Prepaid IT expenditures	14 549	20 679
Prepaid travel expenses	46 071	-
Other prepaid expenditures	7 525	13 159
Sum	184 976	154 175

Note 19 Cash and Bank balances

GWPO has a credit facility issued by Nordea Bank Sweden AB limited to Euro 508,000 but not exceeding 50% of agreed but not disbursed contributions. The credit facility was not used at year end.

Euro 1,555,000 are deposited in a restricted bank account not to be used for operational expenditures; GWPO Reserve Fund.

Euro 121,327 of the bank balance are restricted funds received from the European Commission for the projects Mekrou and Nexus

Note 20 Restricted equity

Reserve fund	1 555 000	1 571 000
Currency rate fluctuation reserve	48 715	103 674
Sum	1 603 715	1 674 674

	2017-12-31	2016-12-31
Note 21 Non-restricted equity		
Amount at the beginning of year	-212	-16 273
Transfer from Reserve fund	16 000	-
Translation difference ingoing balance equity	-42 893	-62 643
Translation difference net result	-60 605	-49 020
Net result for the year	103 785	127 724
Sum	16 075	-212
Note 22 Advance payments from donors		
Austria, advance WACDEP	550 000	350 000
Denmark, advance core 2018	1 611 097	671 932
European Commission, AfriAlliance — H2020-WATER-2014-2015	-	6 141
European Commission, Fostering Water, Energy and Food Security, SADC	173 031	286 242
France, Ministere de l'Agriculture, Food Security	-	2 250
Norway, advance core 2017	-	274 447
Sweden Ministry for Foreign Affairs, rent 2017/2016	11 259	15 057
Switzerland, advance core 2018	250 000	-
UNDP, Enabling transboundary cooperation and IWRM in the Drin River Basin	28 571	5 543
UNESCO, Supporting Regional Cooperation on Shared Water Resources	-	38 618
United Kingdom, DFID, advance core	1 689 123	2 462 641
Sum	4 313 080	4 112 871
Note 23 Liabilities regions/countries		
GWP Central America	11 415	-
GWP Central Africa	3 777	-
GWP Central Africa, former Host Institution	15 918	6 197
GWP Central Asia and Caucasus	2 489	-
GWP Central & Eastern Europe	-	4 600
GWP Mediterranean	455 009	51 614
GWP South America	-	13 131
GWP Southern Africa	267 744	-
GWP West Africa	41 033	300
Pontifical Catholic University of Peru (PUCP)	-	9 041
Sum	797 385	84 883
Note 24 Other liabilities		
Employee taxes	512 469	540 894
Social security costs	-	1 013
Other liabilities	564	16 461
Sum	513 033	558 368



Note 25 Accrued expenditures	2017-12-31	2016-12-31
Accrued fees consultants	36 658	6 600
Accrued fees consultants SITWA and Mekrou	27 942	26 904
Accrued staff costs	160 822	105 021
Accrued audit fees	15 990	18 754
Accrued travel costs	-	3 948
Other accrued expenditures	23 130	6 973
Sum	264 542	168 199

Stockholm *June 12* 2018



Dr. Oyun Sanjaasuren
Chair GWPO Steering Committee



Monika Weber-Fahr
Executive Secretary GWPO



Mina Guli
Chair GWPO Audit & Finance Subcommittee

My audit report concerning these financial statements was issued

June 12, 2018



Lena Svensson
Authorised Public Accountant



Auditor's Report

To the

Annual Meeting of the Sponsoring Partners of Global Water Partnership Organisation,
id.no 902000-3845

Report on the annual accounts

Opinion

We have audited the annual accounts of Global Water Partnership Organisation for the year 2017.

In our opinion, the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden with the exception of BFNAR 2012:1 (K3) and the accounting of fixed assets, and present fairly, in all material respects, the financial position of Global Water Partnership Organisation as of 31 December 2017 and of its financial performance and cash flow for the year then ended in accordance with generally accepted accounting principles in Sweden with the exception of BFNAR 2012:1 (K3) and the accounting of fixed assets. The statutory administration report is consistent with the other parts of the annual accounts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Global Water Partnership Organisation in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts

The Steering Committee and the Executive Secretary are responsible for the other information. The other information comprises "GWP in action – 2016 annual report" and "GWP Annual Progress Review for 2016 – Mid strategy".

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and considered whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Steering Committee and the Executive Secretary

The Steering Committee and the Executive Secretary are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with generally accepted accounting principles in Sweden with the exception of BFNAR 2012:1 (K3) and the accounting of fixed assets. The Steering Committee and the Executive Secretary are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Steering Committee and the Executive Secretary are responsible for the assessment of the organisation's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Steering Committee and the Executive Secretary intend to liquidate the organisation, to cease operations, or has no realistic alternative but to do so.

A handwritten signature in blue ink, appearing to be a stylized 'L' or similar character, located at the bottom right of the page.



Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of the organisation's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Steering Committee and the Executive Secretary.

Conclude on the appropriateness of the Steering Committee's and the Executive Secretary's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Steering Committee and the Executive Secretary of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinion

In addition to our audit of the annual accounts, we have also audited the administration of the Steering Committee and the Executive Secretary of Global Water Partnership Organisation for the year 2017.

The members of the Steering Committee and the Executive Secretary have not acted in violation of the organisation's statutes.

We recommend that the Annual Meeting discharge the members of the Steering Committee and the Executive Secretary from liability for the financial year.

Basis for Opinion

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the organisation in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.



Responsibilities of the Steering Committee and the Executive Secretary

The Steering Committee and the Executive Secretary are responsible for the administration.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Steering Committee or the Executive Secretary has undertaken any action or been guilty of any omission which can give rise to liability to the organization.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the organization.

As part of an audit in accordance with generally accepted auditing standards in Sweden we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgement with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the organisation's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability.

Stockholm, June 12, 2018

Öhrlings PricewaterhouseCoopers AB

A handwritten signature in blue ink, appearing to read 'Lena Svensson', is written over the printed name.

Lena Svensson
Authorised Public Accountant



www.gwp.org

The Global Water Partnership's vision is for a water secure world. Our mission is to advance governance and management of water resources for sustainable and equitable development.

