

GWP SPONSORING PARTNERS

14th Annual Meeting of the Sponsoring Partners
to the Global Water Partnership Organisation

Stockholm, Sweden

Friday, June 5, 2015

MINUTES

1. Welcome and Introduction & Confirmation of Agenda

The GWP Chair, Dr. Ursula Schaefer-Preuss opened the meeting by warmly welcoming all participants followed by a round the table self introduction of all present. The Sponsoring Partners (SP) not able to attend the meeting were Jordan, WMO and the World Bank. Dr. Schaefer-Preuss then handed over to the SP Chair, Mr. Per-Ola Mattsson, Deputy Director at the Department for Aid Management standing in for Mr. Hans Lundqvist, Director and Deputy Head of Aid Management at the Ministry of Foreign Affairs, Sweden.

The agenda was then confirmed.

Decision: The meeting Agenda was confirmed.

The attendance list is appended to these Minutes.

2. Matters arising from Minutes from the 13th Annual Meeting of the Sponsoring Partners in Stockholm on 4 September 2014

According to the procedure of electronic approval of the SP Minutes on a no objection basis after each meeting, the Minutes from the 13th Annual SP Meeting had already been approved.

The Representative of Argentina read out in public statements made in writing by the Embassy of the Argentine Republic under the respective relevant agenda topic. Under agenda item 2, two statements were read out with regards to:

1. The definition of water security where the Argentine Republic has decided not to support the definition of water security as referred to in the GWP Strategy Towards 2020, A Water Secure World but instead the Argentine Republic has adopted the definition of the International Hydrological Programme of UNESCO which they find has greater global consensus.
2. Integrated Water Resources Management where the Argentine Republic finds that the IWRM subject has been given far too little space in the GWP Strategy Towards 2020, A Water Secure World.

The note with statements from the Embassy of the Argentine Republic is appended to these Minutes.

3. Information and approval of GWP Reports

3.1: GWP Annual Activity and Financial Reports 2014

The GWP acting Executive Secretary (aES), Mr. Rudolph Cleveringa, presented highlights from the GWP Annual Activity Report 2014 and said that GWP's network is diverse but it is all about people and their growing interconnectivity. The GWP partnership is growing in numbers and the GWP Secretariat will dedicate time to investigate and learn about how active the network really is and in which ways. GWP needs to demonstrate that changes on the ground are happening and time is put into developing impact stories informing about real impact on regional and country level throughout the network. We need to build on past progress and past investments.

The GWP Head of Finance and Administration, Ms. Catharina Sahlin-Tegnander, presented the GWP Annual Financial Report 2014.

2014 being the year with the highest financial activity level ever with an income of 18,9m€ of which locally raised funds stood for 2,3m€. On top of this the in kind contributions (time contributions, research activities, work shops, Host Institution fees, media fees etc) came to a sum of 4m€ but this figure can't be officially reported since the in kind contributions are not audited. The Head of Finance and Administration also showed a picture presenting GWP's distribution of expenditures where 81% went to programme activities.

The GWP Chair said that the aim is to keep the administrative cost below 10% so the present figure of 9% being very good.

Decision: The GWP Annual Activity Report 2014 and the GWP Annual Financial Report 2014 of the Steering Committee to the SP were received and approved.

3.2: GWP Audit Report 2014

The GWP Head of Finance and Administration presented the GWP Audit Report 2014. 13 Regional Water Partnerships, 40 Country Water Partnerships, 2 EC projects and GWPO have been audited by Ernst&Young. For the third year in a row there were no issues reported for GWPO in the Management Letter (Auditor report) but four regional issues to be addressed without consequences for the audit opinion. GWP received an Unqualified Audit Report from Ernst&Young which is the best audit opinion to be received.

The GWP Audit Report 2014 was received and considered.

Two questions were raised by the representative from Netherlands, one regarding UK being the biggest financial donor to GWP and their interest in becoming a GWP Sponsoring Partner and the other regarding GWP's view on the ideal distribution of expenditures. The GWP aES responded that related to the first question no discussions have taken place related to UK becoming a Sponsoring Partner but that the topic would merit a link to the Governance agenda and how GWP should be organised to handle huge financial contributions incl. responsibilities to be defined for both parties, donor and recipient.

Related to question number two the aES responded that the ideal situation would be that about 50% of the funds go directly to the Regions but questions remain related to the readiness of the countries to utilize the funds. Also, the aim is to increase the locally raised funds far more than today as an expression of the Regions' maturity reflecting the agreed project modality.

Decision: The recommendation of the GWP Auditors to discharge the GWP Steering Committee Members of liability for 2014 was approved.

4. GWP Chair Annual Report

Dr. Schaefer-Preuss reported back from an exciting and challenging year. The work with the GWP Governance and Financing Reform took form and progress started to be made. The GWP Chair's work on getting GWP more visible on the international scene continued, so did the work on getting a dedicated water goal to stay high on the Post 2015 SDG Agenda. GWP together with the members of the UN family have worked hard to get the goal number 6 "Ensure Availability and Sustainable Management of Water and Sanitation for all" on board which is now reflected in the Zero Draft of the Outcome document being tabled for the UN Summit in September 2015.

Among many events one which was highlighted was the 3rd World Conference on Disaster Risk Reduction which took place in Sendai in March where the GWP Chair moderated the only high level session dealing with water and disasters together with WMO, addressing the need for integrated sustainable water resources management.

Furthermore, the GWP Chair extended a big thank you to Dr. Mohamed Ait Kadi, Chair of the GWP Technical Committee, for his wonderful and devoted work for GWP during the last six years. Dr. Ait Kadi's second and last term as Chair of the GWP Technical Committee will come to an end in September.

The GWP Chair ended her speech by saying that GWP is in good spirit to manage the challenges laying ahead and that we do our utmost to live up to the recommendations of our Financing Partners and speed up the implementation of the various elements of the Governance and Financing Reform. The GWP Chair also extended a big thank you to the Sponsoring Partners for their willingness to move the yearly meeting to June (from September) to speed up the process of approving GWP's yearly reports and also to the staff at the GWP Secretariat for their continued dedicated work.

A question was raised with regards to the process of GWP applying for observer status with United Nations General Assembly (UNGA). The GWP Chair responded that this process is put on hold since there are many time consuming legally difficult questions to be dealt with for an IGO to become an observer (GWP is already an accredited IGO with ECOSOC) and first we need to get the Governance and Financing Reform in place.

The complete GWP Chair's Annual Report is appended to these Minutes.

5. Approval of External Auditors

The GWP Chair said that according to the GWPO statutes the GWP External Auditors shall be appointed for a period of one year, which shall be subject to automatic renewal, unless the yearly meeting of the Sponsoring Partners decides otherwise. Ernst & Young has since 2009 been appointed as External Auditor of GWPO. Regular procurement of services to ensure that the organisation gets best quality at the lowest price as well as the practice in Sweden to regularly change the provider of audit services was the basis for the GWP Nomination Committee to request the GWPO Secretariat to procure for audit services at this point. 5 interested candidates tendered and the following evaluation process gave PwC (PricewaterhouseCoopers) the highest ranking.

A proposal was put forward to give PwC the mandate to become the GWP External Auditors for the next five years, with a fixed price for the 5 years negotiated.

Decision: The proposal to give PwC the mandate to become the GWP External Auditors for the next five years was approved.

6. GWP Governance Reform

6.1: Update on timeline, focus areas and progress & 6.2: Proposal for Steering Committee composition

The GWP Chair introduced this agenda topic by saying that when the GWP Strategy Towards 2020, A Water Secure World had been launched in March 2014 the next step was to embark on the long needed GWP Governance and Financing Review. There was an emerging need to look into how the Governance structure of GWP/GWPO could be better aligned to respond to the global emerging challenges within the context of the GWP Strategy Towards 2020, A Water Secure World. This first phase of the Governance Reform does

not include the governance of Regional Water Partnerships and Country Water Partnerships, nor the operational structure within the GWP Secretariat and Network. When the GWP Strategy Towards 2020, A Water Secure World had been launched, Dalberg was invited to start their consultancy on the GWP Governance Reform. In November 2014 the GWP Steering Committee agreed after long discussions that the Dalberg findings and recommendations, stated in the Governance and Financing Review Report, should be adopted in principle and thereafter a Task Force was established to guide the way forward, mainly focusing on prioritized recommendations 2,3,5 and 6.

To lay a good ground for the various steps of the implementation of the Governance and Financing Reform, the composition of the GWP Steering Committee and the nomination process, together with the Terms of Reference for the GWP Chair, the Executive Secretary and the Chair of the Technical Committee were defined as the first items to work on. The Terms of Reference for the Chair of the Technical Committee will be finalized when the Knowledge Management and Organisational Review Report is received by GWP by the end of June.

The Senior Legal and HR Officer presented the proposal for the new Steering Committee composition with the aim of having a wide global spread of Regions represented at all times. 2017 would be the first time the new Steering Committee composition would be fully in place and during 2020 all 13 GWP Regions would have sat or be sitting on the Steering Committee. All members on the Steering Committee, including the Financing Partners representative, would have a vote except for the Chair.

The Regional representatives on the Steering Committee should be Regional Partners. Each Region is to nominate one woman and one man. It will then be for the GWP Nomination Committee to pick candidates with the best background, considering gender balance, global spread etc.

As a first step the GWP Sponsoring Partners need to endorse this process and then as a next step approve new Steering Committee members electronically for the November 2015 Steering Committee meeting.

The Danish representative commented that the intention with the new Steering Committee composition would be to get closer to a board setting with greater ownership and accountability of GWP activities, governance and financing issues and with stronger background and knowledge to support the Senior Management of GWP.

The Dutch representative commented that he found the Dalberg Report to be very interesting and recommended everyone to read it if not done already. A question was raised regarding the youth criteria, an important criteria to get on board for the composition of the Steering Committee, and how that would be taken care of. Another question was raised with regards to the suggestion in the Dalberg report to delegate some of the responsibilities from the Sponsoring Partners to the Steering Committee and which responsibilities this would be.

The Legal and HR Officer responded that with regards to the question on youth this could be provided for through the independent seats on the Steering Committee, another possibility would be to have a Youth Ambassador as a permanent observer on the Steering Committee. GWP also collaborates with NGO's working strongly on the youth perspective. With regards to the question on delegation of responsibilities from the Sponsoring Partners to the Steering Committee, that could entail approval of Steering Committee members, final approval of Annual Reports etc.

The Representative of Argentina read out in public statements made in writing by the Embassy of the Argentine Republic. Argentina assesses that GWP is a global flagship organisation in terms of operation, dynamics and structure and considers that it is unclear which is the purpose of changes to this aspect of the organisation. In general terms, GWPO government structure should remain as it has so far been

with regards to its size and functions. The current structure corresponds to that of an intergovernmental organization that became such by the Memorandum of Understanding signed at the time by countries and intergovernmental organizations. The proposed changes in the structure would denaturalise the intergovernmental nature of GWPO. In this regard there is no other intergovernmental space like this one, which allows countries to discuss issues related to the global water agenda. It is important not to duplicate representation in the governing bodies. The functions and powers of the Sponsoring Partners should not be cut or otherwise changed. The current distribution of functions are seen as correct and balanced and Argentina does not support the restriction of this body's powers and competences. With regards to the Steering Committee, Argentina has always been in favour of a balanced representation of the regions within this body. However, Argentina does not consider it necessary to introduce other changes within this body. Argentina stresses that any changes should rather focus on promoting optimal communication between the Sponsoring Partners and the Steering Committee. Furthermore, Argentina understands that the relationship of the Financial Partners with GWP should remain at its current terms.

The complete note with statements from the Embassy of the Argentine Republic is appended to these Minutes.

The GWP Chair kindly thanked Argentina who had undertaken this thorough analysis of the matter and said that the intention of the Governance and Financing Reform is not to diminish the role of the Sponsoring Partners but to strengthen the Steering Committee with active Regional voices. The role of the Steering Committee is to advise, guide and support the work of GWPO and the Network.

The Danish representative added that he was surprised to hear from Argentina that nothing should be changed. The world is changing and competition for funds will increase. Therefore there needs to be strengthened responsibility by the Steering Committee and by that stronger relationship between donors and GWP.

The Dutch representative acknowledged the possible difficulties with one representative sitting on several bodies (FPG, SC, SP) since it is important to separate the various roles and being unbiased but this is something that has to be further looked into.

The Swedish representative said that the findings in the Dalberg Report seem to serve the future of GWP very well. Regarding youth there needs to come on board younger people on the GWP Steering Committee but with a bit of flexibility on what youth means. It would be difficult to find young people with the experience required to sit on the GWP Steering Committee but focus on finding people around 30 - 50 years of age rather than people close to, or over, their age of retirement. Good to have a diversified group including keeping gender balance. Very important for the Regional representatives on the Steering Committee to have global views and not only representing their own regional views. Also, it would be good to get a summary of which changes suggested in the Dalberg Report would require changes to the GWP Statutes (the suggested new Steering Committee composition and the Terms of Reference for the GWP Chair, Executive Secretary and the Chair of the Technical Committee do not require changes to the GWP statutes).

Decision: The presented proposal for the new GWP Steering Committee composition was endorsed by the Sponsoring Partners with the addition that Argentina's input to this agenda topic should be further looked in to and considered.

The GWP Chair continued by explaining that the Terms of Reference for the GWP Chair and the Executive Secretary have been thoroughly revised and updated due to overlap between the two roles previously. They have both been approved by the GWP Steering Committee. The Terms of Reference for the Executive Secretary is approved by the Steering Committee and presented to the Sponsoring Partners for information. The Terms of Reference for the Chair is to be finally approved by the Sponsoring Partners.

Decision: The Terms of Reference for the GWP Chair will be finally approved by the Sponsoring Partners via electronic means on a no objection basis by June 18th, 2015.

Additional decision taken after the Sponsoring Partners Meeting: The new Terms of Reference for the GWP Chair, presented by the Steering Committee were approved by the Sponsoring Partners on a no objections basis on 18th June 2015.

The GWP Chair then made the following statement: "*the GWP Governance and Financing Reform is now progressing fast with the decisions taken by the Steering Committee in their meetings during the last days and the main recommendations of the reform process will have been completed, or will be under way until the end of the year. In light of the fact that the role of the Chair will undergo significant changes in the future and that most of my duties as actual Chair under the so far agreed upon terms and conditions will have been accomplished in a way of giving GWP a more visible role in the Global World of Water, I have decided to inform the Sponsoring Partners to withdraw my application for a second term as Chair of GWP/GWPO as of January 1, 2016*".

The Dutch representative said that he very much respects the conclusions of the GWP Chair and agreed that it would be appropriate for GWP to move forward as of January 1st 2016 with the ongoing reforms.

The Chair of the Sponsoring Partners meeting said that with the statement made by the GWP Chair, agenda item 8 "Renewal of GWP Chair for a second term" will be taken off the agenda. Furthermore, he asked the Sponsoring Partners to stay on after the closure of the meeting to discuss how to move ahead from here.

Decision: The GWP Chair informed the Sponsoring Partners that she has decided to withdraw her candidacy for a second term, as of January 1st, 2016.

7. Status and Financing of GWP Work Programme

7.1: Update on priorities and performance of implementation

The GWP Acting Executive Secretary made a presentation on the performance and implementation of the 2014 - 2016 Work Programme. Some highlights given:

- Implementation of 2015 workplan in regions and GWPO (somewhat slowed down in April by a precautionary freeze of some activities due to delayed DFID funding). Illustrations include good progress on WACDEP pan-African initiative on investment planning and project financing.
- SDG campaign for a dedicated Water Goal
- Launch of the Global dialogue report and influence at WWF in Korea
- More systematic harvesting of impact stories; strengthened quality control and reporting mechanisms
- Governance review task force work initiated
- Partners database survey on-going
- DFID annual review 2014 of GWP programme positive (scored A)

Due to the delayed process regarding possible DFID funding, the GWP Steering Committee at its meeting on June 2 - 4, 2015 approved an 11,6m€/year budget until August when further notice on the DFID funding is expected to have been received. This led to a, at least temporary, revised 2015 Work Plan which was originally built on a 14,5m€/year scenario.

7.2: Financing Strategy

The GWP Chair introduced this agenda topic by saying that GWP has to come to grips with a good strategy for a sustainable funding base, this being part of the whole Governance and Financing Reform. The situation today is that GWP is totally dependent on existing donors. Local funding and resource mobilization capabilities need to be strengthened. Private sector options, philanthropic organisations etc need to be explored as well as voluntary network membership contributions. The issue of establishing a fundraising position within the organisation has been discussed for a long time.

The GWP Acting Executive Secretary presented the "three barrel component" picture where the grey barrel represents Core Institutional funding, the blue barrel represents Core Programme funding and the yellow barrel represents Complementary Portfolio funding and said that GWP is facing two funding scenarios at present;

1. The 11m€/year scenario which is a minimum scenario to maintain relations with the network, mobilize new funds and engage further in relation to the Knowledge Management Agenda.
2. The 14,5m€/year scenario (DFID funding received) which would allow GWP to consolidate earlier investments and would expand possibilities of being attractive to new donors. To come up to this scenario we need current commitments to be confirmed and engage in new ways of funding. An important task would be to find out what future partners/donors are interested to buy into.

Furthermore, GWP needs to enhance its internal effectiveness and look at a potential organisational overhaul which may affect the way business is done. GWP needs to move from being considered a risk investment to become an attractive approach for partners/donors to buy into.

Some comments made from the Sponsoring Partners were that GWP needs to identify partners where GWP can leverage its comparative advantages, being the knowledge and the network. Secondment Programmes is not an easy way to go and maybe not worth putting in too much time and effort on this. Important for GWP to think through for what, in what way and from whom funding is to be sought. There are a lot of opportunities to explore, private sector funding being an obvious one.

The GWP Chair wrapped up this agenda item by saying that GWP needs the courage to step beyond the traditional "easy" funding opportunities. The competition among players in the water arena has grown immensely and GWP has to more actively work on market its main features and comparative advantages.

7.3: Gender Strategy

The GWP Chair gave an update related to the implementation of the GWP Gender Strategy which was launched during last years' Stockholm World Water Week. The Strategy has been institutionalized in each of the 13 Regions via Regional Gender Focal Points and a road map for gender activities is being developed together with the Regions. Two specific gender indicators have been added to the M&E system. A Memorandum of Understanding has been signed with the Women for Water Partnership to jointly implement the Gender Strategy and raise funding. The GWP Chair also gave an update on a number of gender related events where she participated, presenting GWPs' gender and water related activities.

7.4: Youth Strategy

The GWP Chair said that the GWP Youth Strategy had been endorsed by the Steering Committee at the meeting on June 2-4. The Strategy focuses on young people between the age of 15-24 but also engages in young water professionals. The work on youth, related to the 3 overall GWP Strategy goals and what this will mean in terms of real activities, need to be further looked into, also relating to available funding. The question of a possible Youth Ambassador as a permanent observer on the GWP Steering Committee will also be further looked into.

Voices were raised within the group with the interest of hearing more on how GWP foresee the roll out of the Youth Strategy into real action and how strong the commitment is to actually appoint a Youth Ambassador. GWP will come back with an update on these items in due course.

Another statement made in the group was that GWP has its Toolbox which is frequently used by Universities etc and is a very practical tool which will help the development of future water advocates/leaders.

8: Renewal of GWP Chair for a second term

This agenda item was taken off the agenda, see Decision under item 6.

9: Any other business, date for SP Meeting 2016 and Summary of Decisions

The GWP Chair said that next year GWP will celebrate its 20th Anniversary and during the June Steering Committee Meeting a brainstorming session around how to promote this took place. It is planned to make arrangements for a joint celebration with the World Water Council, who also celebrates their 20th Anniversary next year. Details of such joint celebration still have to be defined.

The GWP Chair asked the Sponsoring Partners to kindly communicate any ideas on how to celebrate GWP's 20th Anniversary to the Acting Executive Secretary. She also asked if the Sponsoring Partners could get some written testimonies from their authorities, looking into how GWP has been growing over the years.

The date for the SP meeting 2016 will be communicated as soon as the dates for the May/June 2016 GWP Steering Committee have been confirmed.

The SP Chair summarized the meeting decisions and statements as follows:

1. The meeting Agenda was confirmed.
2. According to the procedure of electronic approval of the SP Minutes on a no objection basis after each meeting, the Minutes from the 13th Annual SP Meeting were already approved.
3. The GWP Annual Activity Report 2014 and the GWP Annual Financial Report 2014 of the Steering Committee to the SP were received and approved.
4. The GWP Audit Report 2014 was received and considered.

5. The recommendation of the GWP Auditors to discharge the GWP Steering Committee Members of liability for 2014 was approved.
6. The proposal to give PwC the mandate to become the GWP External Auditors for the next five years was approved.
7. The presented proposal for the new GWP Steering Committee composition was endorsed by the Sponsoring Partners with the addition that Argentina's input to this agenda topic should be further looked in to and considered.
8. The Terms of Reference for the GWP Chair will be finally approved by the Sponsoring Partners via electronic means on a no objection basis by June 18th, 2015.

Additional decision taken after the Sponsoring Partners Meeting: The new Terms of Reference for the GWP Chair, presented by the Steering Committee was approved by the Sponsoring Partners on a no objections basis on 18th June 2015.

9. The GWP Chair informed the Sponsoring Partners that she has decided to withdraw her candidacy for a second term, as of January 1st, 2016.
10. The GWP Chair asked the Sponsoring Partners to kindly communicate any ideas on how to celebrate GWP's 20th Anniversary to the Acting Executive Secretary. She also asked if the Sponsoring Partners could get some written testimonies from their authorities, looking into how GWP has been growing over the years.

On behalf of the Sponsoring Partners the Danish representative expressed sincere thanks and appreciation of the work done by the Chair of the Global Water Partnership, coming in at a difficult time with a lot of pressure from the Financing Partners Group to undertake several reforms, and still always having the interest of GWP at heart.

The Chair of the Sponsoring Partners meeting also extended a big thank you to the GWP Chair for having done a lot with the complicated Governance and Financing reform process.

The GWP Chair ended the meeting by saying thank you to the Sponsoring Partners and that she felt comfortable with GWP going forward with Mr. Rudolph Cleveringa as a very knowledgeable and well performing Acting Executive Secretary.

The SP Chair closed the meeting by thanking everyone for their active participation and valuable contributions.



Per-Ola Mattsson

Chair of the Meeting of the Sponsoring Partners