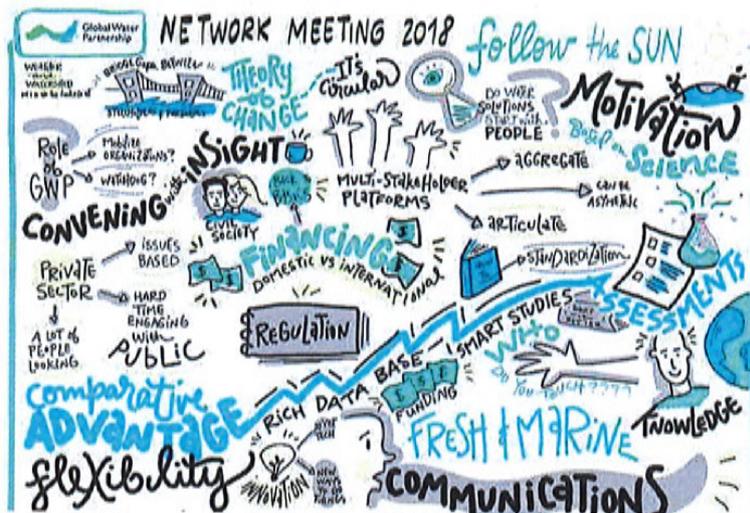


Annual Financial Report 2018



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

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Annual Financial Report 2018

Executive Summary

The network

The Global Water Partnership (GWP) is a globally operating action network that supports countries in managing their water resources equitably and sustainably. Spanning 13 regional teams with 65 country water partnerships and over 3,000 institutional Partners in 180+ countries, GWP-associated NGOs convene multi-stakeholder platforms within and beyond the water sector, including government institutions at all levels, non-governmental organisations, academic and research institutions, private companies, and service providers in



the public sector. Together they inform, drive, shape and advance inclusive and long-term sustainable decisions on managing water. GWP is supported by a global secretariat – the global Water Partnership Organization (GWPO) - that was established as an intergovernmental organization located in Stockholm. GWP's regional teams include: 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. GWP is funded by a range of Financing Partners.

The Organisation

The GWP Organisation (GWPO) – the global secretariat - is managed by a CEO who also serves as the Executive Secretary of the Network. She reports to the GWPO Steering Committee. The Steering Committee develops and steers 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.

Key outcomes in 2018

- 46 key water governance outcomes influenced
- 66 national institutions assisted in relation to governance processes
- 11 investment plans and strategies approved
- 74 countries supported in investment planning and access to finance for climate resilience and water security
- Estimated investment of €280 million influenced by GWP activities
- Mobilisation of €7 million for flood and drought risk reduction in the Volta basin, and €2.2 million targeting floods and drought resilience in Central America
- Nearly 40 knowledge products produced
- 17 south-south learning exchanges held

In 2018, GWPO had an average of 24 staff; one of them was a secondee from the French Government.



In 2018 GWP worked with its Financing Partners and regions on an [external evaluation](#). The evaluation's conclusions - that GWP is an important and needed player in water resources management and has consistently delivered against and beyond its strategic plan – confirmed shareholders and stakeholders' trust in the network. The recommendations – amongst them that GWP should invest in a focused strategy, strengthen its governance, and further build out its operating model – are now informing the work on the new GWP Strategy 2020-2025.

Importantly, throughout 2018, significant cost-cutting measures were put in place, preparing for a shift towards more programmatic funding. Across the network, the global secretariat and the regional teams shouldered the burden jointly, and the shift in resources could be seen to bring in new opportunities. GWP's core donors remain committed to supporting the Network's "backbone" to build strong multi-stakeholder platforms. At the same time, the very same platforms are more effective when able to flex their "convening muscles" through programmatic activities. GWP is proud to report the important success of Regional and Country Water Partnerships in fundraising locally for programmatic activities in 2018. Also, globally, the funding situation is beginning to stabilize, and the network is carefully getting ready for growth.

UNDP Cap-Net is a key partner with GWP in delivering online training on subjects such as urban water management, and the Water, Sanitation, and Health (WASH) programme. GWP works together with Cap-Net on training courses as well as on building capacity among their own networks. In 2018, GWP and UNDP Cap-Net jointly reviewed their respective operational strategies and identified opportunities that a more structured collaboration would bring, in effectiveness and efficiency gains.

Plans were discussed with Cap-Net partners and GWP regions, and the decision was taken to take structural steps towards tighter collaboration that will allow space for learning and adjustment. In March 2019, UNDP and GWP signed an Agreement that will allow Cap-Net to be hosted by GWPO with the aim to enhance operational efficiencies and to strategically align activities.

The Programmes

SDG 6 Support

In 2018, GWP took its core message – that water resources are an essential element of virtually every Sustainable Development Goal, and that they need to be managed well – to the highest levels. In March, the High-Level Panel on Water issued "Making Every Drop Count", a report informed by GWP-convened 'Valuing Water' consultations (in 2017) in 5 countries. In July, UN-Water's SDG 6 Synthesis Report on Water and Sanitation was presented to the UN High-Level Political Forum in New York. This report was informed by 36 GWP country consultations that collected data about progress made towards SDG target 6.5.1 (putting integrated water resources management into practice). The report made clear that urgent progress is required to meet SDG 6, and that taking an integrated approach to water resources management is the key to success.

GWP's 29 hour 'Follow the Sun' Network Meeting

Our Partners are what makes the GWP Network "tick." So, when it was time for our Annual Network Meeting in September, we reached out to every Partner, inviting them to a virtual two-hour Meeting, anchored in their time zone. "Stringing" 15 such meetings together like pearls on a chain, we created a non-stop, 29-hour [online conversation](#) about where Partners see current and future water management challenges, and what they want to do about it as part of GWP. More than 400 GWP Partners in nearly 50 countries took part. The meeting was broadcast live on the GWP Facebook page.



GWP's SDG 6 Programme focused on three areas: a) strengthening national monitoring and reporting frameworks, including establishing baselines for SDG indicator 6.5.1 and identifying key intervention areas; b) piloting with countries how to best formulate integrated water resources management approaches that respond to key national water challenges; and c) initiate dialogue GWP engagement with countries seeking to put water management and governance solutions in practice that will help them achieve the Sustainable Development Goals more broadly.

The UN-Water SDG 6 Integrated Monitoring Initiative identified GWP's SDG 6 Programme concept as a key delivery mechanism. In addition to helping develop the global monitoring framework, GWP leveraged the monitoring mechanisms to support, at the country level, change processes in Armenia, Cameroon, Jamaica, and Uganda. GWP coordinated stakeholder input and addressed capacity gaps to advance data collection and monitoring procedures (see regional stories for more details).

GWP is working with the UN Environment–DHI Partnership and UNDP Cap-Net on targeted interventions which aim to help countries formulate appropriate responses to their water management challenges. The partners supported four pilot countries (Ghana, Guatemala, Kazakhstan, and Viet Nam) to develop action plans that will address their water governance challenges. The package of support included organising multi-stakeholder workshops to gain input and commitment for action. The process is managed by GWP Regional and Country Water Partnerships working with mandated institutions. The knowledge and learning from the four pilots will be transferred to more countries in 2019.

Mobilising climate adaptation action through water

The year ended with another global gathering where GWP's messages about water and climate received keen attention from country delegations. At the United Nations climate conference (COP24) in Poland, GWP released '[Preparing to Adapt: The Untold Story of Water in Climate Change](#).' Our 'wakeup call' was that few countries pay attention to the main factor that will make their climate adaptation ambitions sustainable: strengthening water governance through integrated water management approaches.

Throughout the year, GWP had worked to help linking multi-lateral climate financing facilities with relevant implementation partners in the water sector. Many national water bodies struggle when developing proposals for financing climate adaptation action that explain and link action on water-relevant infrastructure and water governance and institutions to the adaptation agenda. Challenges include design, climate adaptation-relevant target setting and orientation, structuring the financials, and coordinating cross-sectoral input.

This is where GWP came in. In 2018, GWP partnered with the Green Climate Fund (GCF) and WMO to organise two workshops on preparing climate-resilient water projects for GCF funding – one for African participants and one for Asian participants. The workshops included representatives from GCF



GWPnews

According to the [#SDG6SynthesisReport](#), implementing [#IWRM](#) is the most comprehensive step that countries make towards achieving [#SDG6](#) - here's GWP's report from [#HLPF2018](#): bit.ly/2Lodsdu

[#HLPF](#) [#ActOnSDG6](#) [#SDGs](#)
pic.twitter.com/iVuzvVN1PB



(Tweet) July 17, 2018 12:31 pm

Nationally Designated Authorities, country-nominated GCF focal staff, GCF Direct Access Entities, decision-makers from water ministries, and GWP Regional and Country Water Partnership members. The goal was to build capacity and foster institutional coordination within countries with a view to improving access to and use of GCF resources to build water-related climate resilience. The participants learned about GCF investment criteria and exchanged knowledge on previous successful funding applications.

At the global level, GWP has been involved in incorporating the topic of water management into the disaster risk reduction debate. This included organising a session at the Asian Ministerial Conference on Disaster Risk Reduction and subsequent support to the UN's High-Level Experts and Leaders' Panel on Water and Disasters (HELP Panel). The Panel formulated a set of draft principles on investment and financing for water-related disaster risk reduction, and GWP organised a series of stakeholder workshops to gather input on the principles and develop an implementation plan.

The Adaptation Fund helps developing countries build climate resilience. The Fund approved USD 7.9 million for flood and drought management in response to a proposal developed by the GWP–WMO flood management programme, GWP West Africa, and the Volta Basin Initiative. Another proposal was developed by the Central American Commission for Environment and Development, national ministries, and GWP Central Americas, aiming to reduce vulnerability to drought across Central American countries; worth EUR 2.2 million, the proposal was accepted by the European Union EUROCLIMA+ funding mechanism.

There is growing consensus that insurance, risk transfer, and sharing mechanisms play an important role in offsetting the economic impacts of extreme weather events. However, the extent to which such instruments encourage adaptation policy to mitigate future loss and damage, and thus contribute to sustainable development, is less clear. [This paper](#) contributes to the discussion from a water perspective, aiming to promote further discourse among the insurance and water sectors.

PERSPECTIVES PAPER



Climate insurance and water-related disaster risk management

– Unlikely partners in promoting development?



There is a growing consensus that insurance, risk transfer, and sharing mechanisms have an important and growing role to play, particularly in offsetting the economic impacts associated with extreme events. What is less clear is the extent to which such instruments encourage adaptation programmes and policies that would lead to mitigated future loss and damage and, hence, contribute to sustainable development. This paper does not pretend to

Creating and curating knowledge

GWP produced nearly 40 publications in 2018, with 70 percent of them delivered by regional teams. These knowledge products address a diverse set of topics, ranging from a strategic framework for water, sanitation and hygiene (WASH) and climate resilience, to women in water management in Central America, to water use in the automotive repair industry in Bhutan. GWP also contributed to three publications documenting and analysing baselines for SDG indicator 6.5.1, demonstrating its key position as a global convenor and resource on integrated water resources management. Four cases illustrating good water governance were provided by GWP contributors as part of a report published by the Organisation for Economic Co-operation and Development, with input on flood and drought management provided to the UN-Water World Development Report for 2019.

Training in shared vision planning

In October, GWP Southeast Asia joined with the Mekong River Commission and the United States Army Corps of Engineers in a workshop on shared vision planning for the Mekong River Basin. More than 60 participants from government and non-government organisations, and the private sector, learned about collaborative modelling and decision-support tools. Shared vision planning helps in the negotiation of economic, social, and environmental trade-offs between riparian countries, promoting inclusive water governance and integrated management of water resources. It is particularly useful in transboundary river basins.

Region-to-region knowledge sharing, co-creation, and learning

A mix of regional and continent-wide events took place in 2018, addressing such topics as the Sustainable Development Goals, accessing climate finance, and transboundary water governance. Meanwhile, participants from different countries shared lessons on more specific issues relating to youth engagement (Benin, Burkina Faso, and Togo) and Country Water Partnership operations (Burkina Faso and Mali). A pan-African coordination meeting on water and climate took place in Botswana in July.

Action on gender equality in water resources management

Over the past two years, GWP has focused on closing the gap between theory and practice in the sphere of gender, water, and development. As part of this work, GWP developed four [‘action areas’](#) to drive gender equality and social inclusion in water resources management. In March 2018, the High-Level Panel on Water, chaired by the UN Secretary General and the President of the World Bank, endorsed these action areas and appealed to countries around the world to put them into practice. The action areas were also featured in the International Union for Conservation of Nature publication on women as change-makers in the governance of shared waters.

In 2018, GWP Southern Africa agreed with the Southern African Development Community to collaborate in supporting river basin organisations to integrate a gender perspective in key planning and investment processes. This work should lead to meaningful progress in promoting gender equality in the development of the Zambezi, Limpopo, and Orange Senqu river basins.

Youth

The Youth for Water and Climate (#YWC) initiative came to life at the Eighth World Water Forum in Brazil in March 2018 with the launch of a dedicated digital platform. In beta mode, it aims to provide an online marketplace connecting youth-led projects with potential donors and technical partners. "The advice, training, and connection with supporters offered to young people is a fundamental part of #YWC," said Vilma Chanta, youth focal point for El Salvador.

In September/October, #YWC launched a call for project proposals to identify, encourage, and support youth engagement in water management and climate change adaptation. This was facilitated by the International Secretariat for Water and funded by the Swiss Agency for Development and Cooperation. The six winning projects, which received a grant of up to EUR 3,500 each, were showcased at the United Nations climate change conference (COP24). Also, at COP24, youth from Central and Eastern Europe, in a project called 'Youth Voices – Policy Choices', enabled students and young water professionals to meet with policy-makers.

In West Africa, the #TonFuturTonClimat (your future your climate) initiative aims to strengthen youth capacities in Benin, Burkina Faso, and Togo in the field of climate change through three projects related to agriculture and forestry. Youth-led field action is being carried out on land restoration and tree planting in Benin, solar-powered drip irrigation for agriculture in Burkina Faso, and agro-ecological gardening and composting toilets in Togo.

Finance

Globally raised income

In 2018, 17 Financing Partners provided funds through GWPO: Austria, China, Denmark, European Commission, FAO, Geneva Water Hub, Germany, Japan Water Forum, the Netherlands, Norway, Sweden, Switzerland, UNDP, UNICEF, UNE-DHI, UNESCO, and United Kingdom. They contributed a total of €10.6 million, of which €1.1 million was for designated activities. (2017; 17 Financing Partners contributed €12 million, of which €2 million was for designated activities.)

Locally raised income

The regions and countries are encouraged to raise their own funds. During 2018, €3.8 million (€3 million 2017) was raised by the regions/countries. In some cases, locally raised funding might be labelled 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, which seconded a senior Specialist to GWPO, and Japan/JICA which seconded a member to the GWP Technical Committee, as well as approximately €0.7 million from other sources, of which the largest share is from the World Meteorological Organisation through our jointly implemented programmes on flood and drought management.

GWP Regional and Country Water Partnerships reported in-kind contributions of €3.4 million during 2018 (€2.4 million 2017).

Budget projection 2019

With the continued support by the Financing Partners, GWP has a budget of €8.8 million globally raised core income, and €2.9 million globally raised designated income. Locally raised funds are estimated to reach above €3 million.

For more information about GWP's worldwide activities, the *GWP in Action 2018 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 Income

Austria
China
Denmark
European Commission
FAO
Geneva Water Hub
Germany
Japan Water Forum
Netherlands
Norway
Sweden
Switzerland
UNDP
UNICEF
UNE-DHI
UNESCO
United Kingdom



Locally Raised Income

GWP CENTRAL AFRICA	UNICEF UNOPS
GWP CENTRAL AND EASTERN EUROPE	Danube Transnational Programme ICPDR Interreg Central Europe JRC
GWP CENTRAL ASIA AND CAUCASUS	Norwegian University of Life Sciences UNDP UNOPS USAID
GWP CHINA	China Institute of Water Resources and Hydropower Research Hunan Provincial Water Resources Department Ministry of Water Resources Yellow River Conservancy Commission Yellow River Research Association
GWP EASTERN AFRICA	Ministry of Water and Environment
GWP MEDITERRANEAN	ARCOWA/NbSW Austrian Development Agency BMU - German Ministry Nexus Coca Cola Foundation IUCN Sida Wetland International
GWP SOUTH ASIA	CSIRO Hutton National Bank Sri Lanka H&M IFC Unilever Sri Lanka WAPDA
GWP SOUTH EAST ASIA	Directorate of Irrigation and Swamps Indonesia
GWP SOUTHERN AFRICA	African Development Bank ICA GIZ
GWP WEST AFRICA	BAD Direction Générale de la Coopération Benin DHI FNEA GIZ Netherlands/Sweden for Mali ONEA SIE SNV Société de Distribution d'Eau de Côte d'Ivoire (SODECI) Société de Transformation Industrielle de Côte d'Ivoire (SOTICI) VIA Water

Income Statement

All amounts in Euro

	Note	2018	2017
Income			
Globally raised income	1	9 444 528	9 918 843
Globally raised designated income	2	1 131 853	2 010 248
Locally Raised Income	3	3 793 688	2 977 352
Other income	4	73 108	82 388
Total Income		14 443 176	14 988 832
Core Programmes			
Water Security and Climate	5	-2 474 587	-2 838 609
Thematic Programmes	6	-611 909	-557 465
Knowledge Management	7	-681 537	-871 705
Regional Core Programme	8	-2 406 366	-2 340 206
Network Support	9	-1 303 186	-1 283 108
Total Core Programmes		-7 477 585	-7 891 094
Designated Programmes			
Expenditures designated programmes	10	-1 131 853	-2 010 248
Expenditures locally raised	3/5/8	-3 793 688	-2 977 352
Total Designated Programmes		-4 925 541	-4 987 600
Governance	11	-284 001	-202 716
Secretariat	12	-1 891 587	-1 774 690
Net interest and net exchange rate differences	13	123 841	-28 947
Net result for the year		-11 697	103 785



Balance Sheet

All amounts in Euro

Assets	Note	2018-12-31	2017-12-31
Current assets			
Receivables Regional Water Partnerships	14	192 253	390 247
Receivables donors	15	569 370	914 494
Other receivables	16	170 388	148 723
Prepaid expenditures and accrued income	17	151 208	184 976
Total current assets		1 083 219	1 638 440
Cash and bank balances	18	4 470 340	6 044 151
Total Assets		5 553 559	7 682 592
Equity and Liabilities			
Equity			
Restricted equity			
Reserve fund	19	1 555 000	1 555 000
Currency rate fluctuation reserve		100 000	48 715
		1 655 000	1 603 715
Non-restricted equity			
Results brought forward	20	16 075	15 788
Translation difference		-248 847	-103 498
Net result for the year		-11 697	103 785
		-244 470	16 075
Total Equity		1 410 530	1 619 789
Current liabilities			
Advance payments from donors	21	3 554 154	4 313 080
Accounts payable		195 727	174 762
Liabilities Regional Water Partnerships	22	109 465	797 385
Other liabilities	23	18 162	513 033
Accrued expenditures	24	265 521	264 542
Total current liabilities		4 143 029	6 062 803
Total Equity and Liabilities		5 553 559	7 682 592
Pledged assets		None	None
Contingent liabilities		None	None

Cash flow statement

All amounts in Euro

	2018	2017
Net result before financial items	-135 538	132 732
Adjustment for items not included in cash flow		
Exchange rate differences	120 735	-29 609
Translation difference equity	-248 847	-103 498
Interest received	3 112	675
Interest paid	-6	-14
Currency rate fluctuation reserve	51 285	-54 959
Net cash flow from operating activities before changes in working capital	-209 259	-54 673
Decrease/Increase receivables regions/countries	197 994	-136 191
Decrease receivables donors	345 124	29 230
Decrease/Increase other receivables	12 103	-20 440
Decrease/Increase advance payments from donors	-758 926	200 209
Increase/Decrease accounts payable	20 965	-15 790
Decrease/Increase liabilities regions/countries	-687 920	712 502
Decrease/Increase other liabilities	-493 892	51 008
Net cash flow from operating activities	-1 573 811	765 856
Net cash flow for the year	-1 573 811	765 856
Cash and bank balances at the beginning of the year	6 044 151	5 278 295
Cash and bank balances at the end of the year	4 470 340	6 044 151

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 2017.

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, when 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 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 3,793,688 Euro, disbursements of Euro 3,211,853 have been received by the RWP/CWPs to be utilised during 2019 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 88,522 is reported as liability for premiums not paid to AMFIE by 31st December 2018.

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 9,696 (2017 EUR 20,569) has been recorded as expenditures in 2018. Accumulated purchase value since 1 July 2002 is EUR 486,943, out of which office equipment of EUR 254,486 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	2018	2017
Austria, WACDEP	500 000	400 000
China	42 938	41 765
Denmark	1 215 325	1 600 744
France, Ministère de l'Agriculture, Food Security	-	2 250
Germany	346 057	380 000
Netherlands	850 000	-
Norway	261 229	539 269
Sweden	2 138 476	2 280 060
Sweden cost compensation taxes and rent	820 638	824 400
Switzerland	450 000	200 000
United Kingdom	2 819 864	3 650 354
Sum	9 444 528	9 918 843

Note 2 Globally raised designated income

DFID, Gender Workshop	-	12 654
DHI/UNEP, Country Level Monitoring and Reporting SDG 6.5.1	17 205	68 003
European Commission, AfriAlliance — H2020-WATER-2014-2015	11 626	6 045
European Commission, Water for growth and poverty reduction "Mekrou"	-	629 003
European Commission, Fostering Water, Energy and Food Security, SADC	221 790	105 805
FAO, consultancy "Interaction water problems and human migration"	-	9 781
Geneva Water Hub	3 518	-
Japan Water Forum	18 176	-
Netherlands, contribution HLPW Cacena and Peru	-	13 036
UNDP, Enabling transboundary cooperation and IWRM in the Drin River Basin	728 015	892 473
UNESCO, Support Regional Cooperation on Shared Water Resources "IWLearn"	103 299	39 920
UNICEF, WASH and Climate Resilient Development	-	174 968
UNICEF, PARGIRE/CEEAC	28 223	-
World Bank, HLPW Valuing Water Initiative	-	58 559
Sum	1 131 853	2 010 248

Note 3 Locally raised income

GWP Central America	-	17 608
GWP Central Asia and Caucasus	122 159	124 266
GWP Central and Eastern Europe	200 217	147 877
GWP China	57 629	61 587
GWP Eastern Africa	20 057	7 582
GWP Mediterranean	1 903 569	1 646 676
GWP South Asia	156 370	55 804
GWP South East Asia	33 503	-
GWP Southern Africa	520	208 844
GWP West Africa	427 722	198 251
Subtotal	2 921 746	2 468 495
GWP Central Africa WACDEP	52 206	90 746
GWP Mediterranean WACDEP	-	12 084
GWP Southern Africa WACDEP	819 736	406 027

Subtotal	871 942	508 857
Sum	3 793 688	2 977 352
Note 4 Other income	2018	2017
Climate-KIC	22 096	-
European Commission, "Mekrou", administrative fee	-	44 030
European Commission "SITWA", administrative fee	-	-
European Commission "Water, Energy, Food SADC", administrative fee	15 525	7 406
UNDP DRIN Project, management fee	13 627	16 633
UNESCO, "IWLearn", management fee	8 072	2 794
World Bank, HLPW, management fee	-	8 788
Other income	13 788	2 737
Sum	73 108	82 388
Note 5 Water Security and Climate		
GWP Central America	68 585	80 244
GWP Central Asia & Caucasus	70 121	96 880
GWP Central & Eastern Europe IDMP	71 866	90 935
GWP China	79 921	97 809
GWP Eastern Africa, IDMP	38 922	48 632
GWP Global WACDEP	191 732	50 942
GWP Global WACDEP, WASH UNICEF	-	33 109
GWP Mediterranean	30 000	50 000
GWP South America	74 571	92 166
GWP South Asia	74 514	106 822
GWP South Asia, IDMP	5 000	15 390
GWP South East Asia	78 694	84 432
GWP Southern Africa	-	88 277
GWP Southern Africa, IDMP	-	36 570
GWP West Africa, IDMP	39 903	89 992
WMO Flood and Droughts	140 229	129 401
Subtotal WACDEP	964 058	1 191 601
GWP Central Africa	231 432	209 305
GWP Eastern Africa	150 234	101 410
Global Africa GWPO	79 055	124 966
GWP Mediterranean	169 329	212 084
GWP Southern Africa	1 555 173	1 203 017
GWP Southern Africa, funds managed on behalf of GWP Eastern Africa	21 636	88 567
GWP West Africa	175 612	216 516
Subtotal WACDEP Africa	2 382 471	2 155 865
Sum	3 346 529	3 347 466
Regional expenditures WACDEP Africa, locally raised funds, Note 3	-871 942	-508 857
Sum	2 474 587	2 838 609

Note 6 Thematic Programmes expenditures	2018	2017
Deltas - Climate Resilience	39 595	18 800
Food/Nexus	37 277	66 906
Gender & Water	3 883	34 996
Global Processes	7 104	13 921
Integrated Urban Water Management	64 544	25 747
Transboundary	99 970	111 001
Water Security SDG	235 756	183 117
Youth & Water	123 779	102 977
Sum	611 909	557 465
Note 7 Knowledge Management		
Knowledge Management & Toolbox	125 614	256 575
Communications	309 123	343 964
GWP Technical Committee	246 800	271 166
Sum	681 537	871 705
Note 8 Regional Programmes		
GWP Caribbean	117 075	56 143
GWP Central Africa	192 158	184 832
GWP Central America	175 809	208 871
GWP Central Asia & Caucasus	305 098	324 881
GWP Central & Eastern Europe	375 365	342 651
GWP China	301 902	282 011
GWP Eastern Africa	203 682	202 094
GWP Mediterranean	2 093 528	1 846 711
GWP South America	168 057	163 998
GWP South Asia	349 260	256 229
GWP South East Asia	219 545	151 254
GWP Southern Africa	190 627	410 569
GWP West Africa	617 755	397 683
Exchange rate differences	18 251	-19 225
Sum	5 328 112	4 808 701
Regional expenditures financed by locally raised funds, Note 3	-2 921 746	-2 468 495
Sum	2 406 366	2 340 206
Note 9 Network Support	2018	2017
Network Operations	886 043	930 559
Annual Regional Meeting	42 015	26 874
Resource Mobilisation/Programme Development Support	238 386	232 164
Executive Secretary Office	65 123	60 000
Regional and Thematic Support	29 709	16 071
Network Institutional Strengthening	41 911	17 441
Sum	1 303 186	1 283 108



Note 10 Expenditures designated programmes	2018	2017
DFID, Gender Workshop	-	12 654
DHI/UNEP, Country Level Monitoring and Reporting SDG 6.5.1	17 205	68 003
European Commission, AfriAlliance	11 626	6 045
European Commission, Mekrou/West Africa	-	564 451
European Commission, Mekrou/GWPO	-	64 552
European Commission, Fostering Water, Energy, SADC/Southern Africa	215 790	98 155
European Commission, Fostering Water, Energy, SADC/GWPO	6 000	7 650
FAO, consultancy "Interaction water problems and human migration"	-	9 781
Geneva Water Hub	3 518	-
Japan Water Forum	18 176	-
The Netherlands, High Level Panel on Water; Cacena and Peru	-	13 036
UNDP, Drin Project, GWP Mediterranean	728 015	892 473
UNESCO, Support Regional Cooperation on Shared Water Resources "IWLearn"	103 299	39 920
UNICEF, PARGIRE/CEEAC	28 223	-
UNICEF, WASH and Climate Resilient Development	-	174 968
World Bank, HLPW Valuing Water Initiative	-	58 559
Sum	1 131 853	2 010 248
Note 11 Governance costs		
Steering Committee	198 343	198 791
Strategy 2020	63 759	-
Network Meeting	19 971	-
Other governance costs	1 929	3 925
Sum	284 001	202 716
Note 12 Secretariat costs		
Salaries and allowances	964 644	899 247
Insurances	35 510	37 127
Pension costs	154 409	140 044
Training	15 457	67 326
Recruitment	25 024	42 097
Other staff costs	13 854	13 354
Travel	101 348	56 239
Rent and office expenditures	388 558	372 459
Audit, legal and other consultancies	91 326	34 511
IT expenditures	101 458	112 285
Sum	1 891 587	1 774 690
Staff costs;		
Global WACDEP (Note 5)	34 065	41 469
Global WACDEP Africa (Note 5)	75 880	90 850
WMO Flood and Droughts (Note 5)	81 168	83 225
GWP Global WACDEP, WASH UNICEF (Note 5)	-	39 874
Water Security SDG (Note 6)	83 262	55 763
Knowledge Management & Toolbox (Note 7)	75 070	104 913

Cont. Staff costs;	2018	2017
Communication (Note 7)	222 082	241 785
Technical Committee (Note 7)	-	9 619
Network Operations (Note 9)	777 151	828 185
Resource Mobilisation/Programme Development (Note 9)	183 673	162 000
Executive Secretary's Office (Note 9)	65 123	60 000
Secretariat (Note 12)	1 208 899	1 199 195
Sum	2 806 371	2 916 878

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

Female	14.2	13.7
Male	9.80	10.9
	24.0	24.6

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	1.0

Note 13 Interest and net exchange differences

Interest income	3 112	675
Interest expense	-6	-14
Exchange rate differences	120 735	-29 609
Sum	123 841	-28 947

Note 14 Receivables Regional Water Partnerships

	2018-12-31	2017-12-31
GWP Caribbean	1 725	-
GWP Central Africa, claim Jean-Pierre Bidjocka	-	3 318
GWP Central Africa, claim CWP Central African Republic	1 368	1 421
GWP Central America	33 028	-
GWP Central Asia & Caucasus	17 092	-
GWP Central & Eastern Europe	78 181	71 871
GWP China	-	40 769
GWP Eastern Africa	7 795	1 703
GWP Mediterranean, DRIN Project	16 439	29 009
GWP Mediterranean	6 672	-
GWP South America	-	21 648
CWP Peru	-	1 891
GWP South Asia	7 692	10 355
GWP South East Asia	-	17 109
GWP Southern Africa, Fostering Water, Energy and Food Security, SADC	-	84 464
GWP West Africa Mekrou	-	106 689
GWP West Africa	22 261	-
Sum	192 253	390 247

Note 15 Receivables donors	2018-12-31	2017-12-31
European Commission, Water for growth and poverty reduction "Mekrou"	-	273 021
European Commission, 689162 - AfriAlliance	-	1 354
European Commission, Fostering Water, Energy and Food Security, SADC	64 284	-
European Commission, AfriAlliance — H2020-WATER	190	-
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	504 896	512 469
UNICEF, WASH and Climate Resilient Development	-	58 481
UNEP/DHI, Country level reporting and monitoring 6.5.1	-	25 040
World Bank, High Level Panel on Water	-	24 590
Sum	569 370	914 494

Note 16 Other receivables

VAT claim	34 280	27 226
Accounts receivable	47 886	25 659
Vasakronan - deposit rent	88 120	91 526
Receivables staff	53	1 322
Other receivables	50	2 990
Sum	170 388	148 723

Note 17 Prepaid expenditures and accrued income

Prepaid insurances	36 845	42 461
Prepaid rent quarter 1 2018/2017	88 849	74 370
Prepaid IT expenditures	12 312	14 549
Prepaid travel expenses	4 178	46 071
Other prepaid expenditures	9 024	7 525
Sum	151 208	184 976

Note 18 Cash and Bank balances

GWPO has a credit facility issued by Nordea Bank Sweden AB limited to Euro 490,000 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 160,825 of the bank balance are restricted funds received from GIZ.

Note 19 Restricted equity

Reserve fund	1 555 000	1 555 000
Currency rate fluctuation reserve	100 000	48 715
Sum	1 655 000	1 603 715

	2018-12-31	2017-12-31
Note 20 Non-restricted equity		
Amount at the beginning of year	16 075	-212
Transfer from Reserve fund	-	16 000
Translation difference ingoing balance equity	-58 470	-42 893
Translation difference net result	-190 378	-60 605
Net result for the year	-11 697	103 785
Sum	-244 470	16 075
Note 21 Advance payments from donors		
Austria, advance WACDEP	300 000	550 000
Denmark, advance core 2019/2018	401 708	1 611 097
European Commission, AfriAlliance — H2020-WATER	-	-
European Commission, Fostering Water, Energy and Food Security, SADC	-	173 031
GIZ, Transboundary Water Management in SADC	160 825	-
Japan Water Forum	7 902	-
Sweden Ministry for Foreign Affairs, rent 2017/2016	48	11 259
Sweden, advance core 2019	293 732	-
Switzerland, advance core 2018	1 159 000	250 000
UNDP, Enabling transboundary cooperation and IWRM in the Drin River Basin	16 210	28 571
UNEP/DHI, Country level reporting and monitoring 6.5.1	21 036	-
UNICEF, WASH and Climate Resilient Development	14 008	-
UNICEF, Framework for WASH and climate resilient development	52 423	-
UNICEF, PARGIRE/CEEAC	14 626	-
United Kingdom, DFID, advance core	1 112 636	1 689 123
Sum	3 554 154	4 313 080
Note 22 Liabilities regions/countries		
GWP Central America	-	11 415
GWP Central Africa	9 019	3 777
GWP Central Africa, former Host Institution	-	15 918
GWP Central Asia and Caucasus	-	2 489
GWP China	24 550	-
GWP Mediterranean	-	455 009
GWP South East Asia	6 930	-
GWP South America	6 004	-
GWP Southern Africa	3 277	267 744
GWP Southern Africa, Fostering Water, Energy and Food Security, SADC	59 685	-
GWP West Africa	-	41 033
Sum	109 465	797 385
Note 23 Other liabilities		
Employee taxes	15 343	512 469
Social security costs	2 276	-
Other liabilities	543	564
Sum	18 162	513 033

Note 24 Accrued expenditures	2018-12-31	2017-12-31
Accrued fees consultants	66 558	36 658
Accrued fees consultants SITWA and Mekrou	-	27 942
Accrued staff costs	164 135	160 822
Accrued audit fees	18 950	15 990
Accrued travel costs	12 332	-
Other accrued expenditures	3 546	23 130
Sum	265 521	264 542

Stockholm *June 11th* 2019



Howard Bamsey
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 13, 2019*



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.



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 2018.

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 2018 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 – 2018 annual report" and "GWP Annual Progress Review for 2018 – 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.

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 2018.

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 13, 2019

Öhrlings PricewaterhouseCoopers AB

A handwritten signature in blue ink, appearing to read 'Lena Svensson', is written over a light blue horizontal line.

Lena Svensson
Authorised Public Accountant

