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Regional Office for Europe****Meeting of the Parties to the Protocol on Water and Health to the Convention on the Protection and Use of Transboundary Watercourses and International Lakes****Second session of the Meeting of the Parties**

Bucharest, 23–25 November 2010

Item 9 of the provisional agenda

**Programme of work for 2011–2013 and resources needed for its implementation****Financing options for the Protocol on Water and Health****Note prepared by the joint secretariat in cooperation with the Bureau***Summary*

The present document was prepared upon the request of the Working Group on Water and Health, which at its third meeting asked the joint secretariat, in cooperation with the Bureau, to prepare a document with the projected costs for the implementation of the activities of the programme of work for 2011–2013 compared against funding in accordance with the United Nations scale of assessments, for consideration by the Meeting of the Parties to the Protocol at its second session (see ECE/MP.WH/WG.1/2010/2-EUR/10/56335/II).

The document recalls the general guidance of the United Nations with regard to funding; reviews the experience with financing Protocol activities during the first intersessional period; and examines whether Parties have accepted formal contribution schemes under other multilateral environmental agreements. Turning to the future, the document presents a distribution of the budget for the draft programme of work 2011–2013 among the Parties on the basis of the United Nations scale of assessments and compares the suggested contributions to official development assistance.

Finally, the paper includes a draft resolution on contributions for the programme of work for 2011–2013 for consideration by the Meeting of the Parties.

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## List of country codes

Throughout the present paper countries are identified with the ISO ALPHA-3 code for countries.<sup>1</sup> The country codes for the Parties of the Protocol are as follows:

<i>Country name</i>	<i>Country code</i>
Albania	ALB
Azerbaijan	AZE
Belarus	BLR
Belgium	BEL
Croatia	HRV
Czech Republic	CZE
Estonia	EST
Finland	FIN
France	FRA
Germany	DEU
Hungary	HUN
Latvia	LVA
Lithuania	LTU
Luxembourg	LUX
Netherlands	NLD
Norway	NOR
Portugal	PRT
Republic of Moldova	MDA
Romania	ROU
Russian Federation	RUS
Slovakia	SVK
Spain	ESP
Switzerland	CHE
Ukraine	UKR

<sup>1</sup> Three-letter country codes are available from URL:  
<http://unstats.un.org/unsd/methods/m49/m49alpha.htm>.

## I. Introduction

1. The present document is written in fulfilment of the instructions issued by the Working Group on Water and Health (WGWH) established under the Protocol on Water and Health, which at its third meeting requested the joint secretariat, in cooperation with the Bureau, to “prepare a document with the projected costs for the implementation of the activities of the programme of work for 2011–2013 compared against funding in accordance with the United Nations scale of assessments for consideration by the Meeting of the Parties to the Protocol at its second session” (see ECE/MP.WH/WG.1/2010/2–EUR/10/56335/II).

2. This document is intended to allow for national consultations on the acceptability of a contribution scheme based on the United Nations scale of assessments (UNSA). Parties are encouraged to inform the joint secretariat of the outcome of such national consultations in the period leading up to the second session of the Meeting of the Parties to the Protocol on Water and Health, possibly by **1 November 2010**. They would then be invited at the second session of the Meeting of the Parties to consider the proposed financing arrangements as a voluntary or mandatory scheme, to be adhered to by all Parties as an expression of ethical commitment to the Protocol.

## II. General guidance from the United Nations

3. The paper was written bearing in mind the need for stable, adequate and predictable financial resources, and United Nations General Assembly resolution 62/208<sup>2</sup> stressing the importance of core funding:

“18. *Stresses* that core resources, because of their untied nature, continue to be the bedrock of the operational activities for development of the United Nations system, and in this regard notes with concern that the share of core contributions to United Nations funds and programmes has declined in recent years, and recognizes the need for organizations to address, on a continuous basis, the imbalance between core and non-core resources”.

4. It also takes into account Decision I/5 of the first Meeting of the Parties (Geneva, Switzerland, 17–19 January 2007), which recognized that “in the longer term, consideration should be given to establishing stable and predictable financial arrangements for the core elements of the programme of work, for example by using the United Nations scale of assessments or other appropriate scales”.

5. Member States of the United Nations contribute to United Nations core expenses in accordance with a percentage allocation — the United Nations scale of assessments<sup>3</sup> — based on Chapter IV, Article 17, para 2,<sup>4</sup> of the Charter of the United Nations which states that:

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<sup>2</sup> United Nations General Assembly resolution 62/208 of 14 March 2008 on the “Triennial comprehensive policy review of operational activities for development of the United Nations system”, available at <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N07/476/25/PDF/N0747625.pdf?OpenElement>.

<sup>3</sup> Officer, Laurence H., “An assessment of the United Nations scale of assessments from a developing-country standpoint”, *Journal of International Money and Finance*, Elsevier (1994), vol. 13(4), pp. 415–428.

<sup>4</sup> <http://www.un.org/aboutun/charter/chapter4.shtml>.

“The expenses of the Organization shall be borne by Members as apportioned by the General Assembly.”

6. The scale of assessments and the United Nations budget are decided by the General Assembly on the recommendation of the Committee on Contributions.

7. Under the scale of assessments, the United Nations assesses countries on a fixed set of parameters. For the period 2007–2009, the Fifth Committee recommended, and the sixty-first session of the General Assembly accepted without a vote through resolution 61/237, to leave in place the main elements of the 2000 assessment scale, basing individual countries’ assessments on their gross national income per capita (GNI/cap) with adjustments for external debt and low per capita income. The maximum contribution to be paid by any one member State, the so-called “ceiling” was kept at 22 per cent. The scale of assessments was confirmed by United Nations General Assembly resolution 64/248 for the period 2010–2012<sup>5</sup> following the same principles.

8. The distribution of the United Nations scale of assessments applies also to the World Health Organization (WHO) scale of assessments 2010–2011, as per resolution 63.5 of the World Health Assembly at its sixty-third session (Geneva, 17–21 May 2010).<sup>6</sup>

9. The distribution of the contributions foreseen under the UNSA among the Parties is shown in table 1 below.

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<sup>5</sup> United Nations General Assembly resolution 64/248 is available at: <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N09/476/71/PDF/N0947671.pdf?OpenElement>.

<sup>6</sup> World Health Assembly resolution 63.5 [http://apps.who.int/gb/ebwha/pdf\\_files/WHA63-REC1/WHA63\\_REC1-P2-en.pdf](http://apps.who.int/gb/ebwha/pdf_files/WHA63-REC1/WHA63_REC1-P2-en.pdf), p. 10.

Table 1  
**Calculation of the distribution of contributions among the Parties based on UNSA**

<i>Parties and Signatories</i>	<i>UN &amp; WHO scale of assessments (%)</i>	<i>UN &amp; WHO adjusted scale of assessments (%)</i>	<i>UN &amp; WHO adjusted scale of assessments (%) capped</i>
Albania	0.01	0.03794	0.0475
Azerbaijan	0.015	0.056911	0.0712
Belarus	0.042	0.15935	0.1994
Belgium	1.05751	4.012238	5.0213
Croatia	0.097	0.368022	0.4606
Czech Republic	0.349	1.324121	1.6571
Estonia	0.04	0.151762	0.1899
Finland	0.566	2.147428	2.6875
France	6.1234	23.23244	21.0000
Germany	8.0186	30.42291	21.0000
Hungary	0.291	1.104066	1.3817
Latvia	0.038	0.144174	0.1804
Lithuania	0.065	0.246613	0.3086
Luxembourg	0.09	0.341464	0.4273
Netherlands	1.8551	7.038329	8.8084
Norway	0.8711	3.304991	4.1362
Portugal	0.511	1.938756	2.4263
Republic of Moldova	0.002	0.007588	0.0095
Romania	0.177	0.671546	0.8404
Russian Federation	1.6021	6.078436	7.6071
Slovakia	0.142	0.538754	0.6742
Spain	3.1772	12.05443	15.0861
Switzerland	1.1301	4.287648	5.3660
Ukraine	0.087	0.330082	0.4131

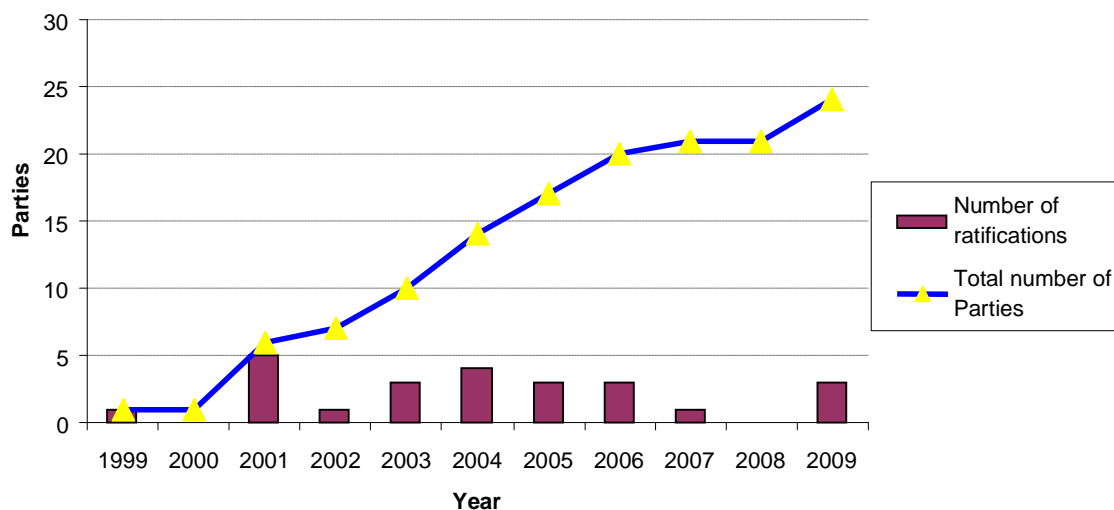
### III. Experience from the 2007–2010 intersessional period

#### A. Progress in ratification

10. The number of Parties to the Protocol on Water and Health has grown significantly since the first session of the Meeting of the Parties (Geneva, 17–19 January 2007), when 17 Parties participated.

11. At present, 24 countries with a total population of 516 million people are Parties to the Protocol. Fifteen countries are member States of the European Union, two are Party to the European Free Trade Area (EFTA) and six are countries in transition in South-Eastern and Eastern Europe as well as the Caucasus.

Figure 1  
**Evolution of the ratification of the Protocol**



12. A number of States that have not yet ratified the Protocol nevertheless support the implementation of the workplan. This is particularly so for Italy, which leads the Task Force on Extreme Weather Events and the Task Force on Surveillance; Israel is also leading a number of capacity-building initiatives that strengthen the national capacity for implementation of Protocol activities in participating countries.

13. Several more countries have indicated their intention to accede to the Protocol.

14. It is important to realize that, counting only current Parties, more Europeans benefit from the Protocol on Water and Health (516 million persons) than there are citizens of the European Union (495 million). Clearly, the size of the population benefiting from the Protocol alone warrants serious attention to the issue of funding, and in particular requires the urgent development of stable, adequate and predictable funding mechanisms.

## **B. Funding of the Programme of Work 2007–2010**

15. During their first session, the Meeting of the Parties adopted a programme of work for a total value of US\$ 3,451,500 in overall requirements, of which US\$ 2,816,000 were deemed core requirements. Staff requirements were estimated at 1–1.50 L-3 staff for the United Nations Economic Commission for Europe (UNECE) and 2.4 P-3 and 1 P-4 staff for the World Health Organization Regional Office for Europe (WHO/EURO) for three years. These staff requirements already presupposed that the host organizations of the joint secretariat would provide key staff to the joint secretariat from other sources. For example, in the case of WHO, the work under the Protocol became an additional task for the regional adviser on water and sanitation.

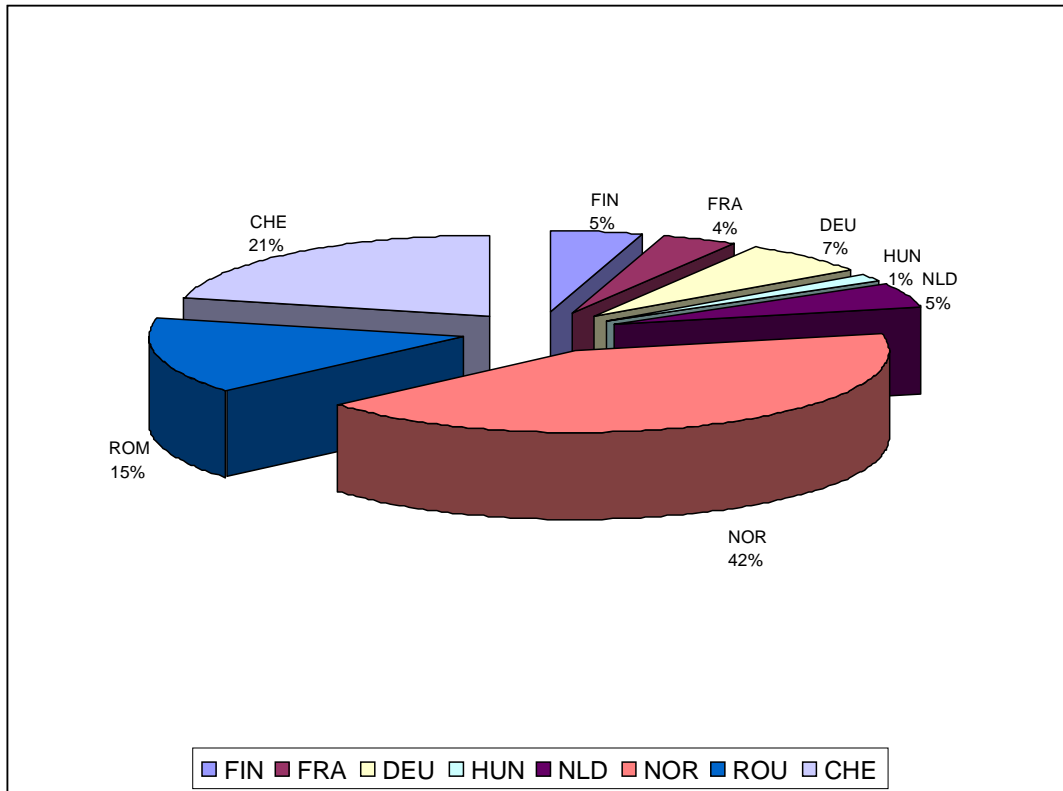
16. Against these requirements, countries donated US\$ 804,840 to the UNECE Trust Fund and US\$ 412,066 to the WHO Trust Fund. The total amount raised was therefore more than US\$ 1 million less than the estimated core requirements, and circa 50 per cent of the total budget.

17. In addition, and unforeseen at the time of the first session of the Meeting of the Parties, an amount of US\$ 204,975 was granted by Switzerland for the implementation of a

programme on target setting in the Republic of Moldova, and US\$ 352,000 was raised from the United Nations Development Account (UNDA).

18. It is noteworthy that only US\$ 226,513 was granted by the countries without any allocation, of which US\$ 167,364 came as a single grant by one country to alleviate human resource constraints. The vast majority of funds came pre-allocated for specific purposes. The distribution of funding by donor country is shown in figure 2 below.

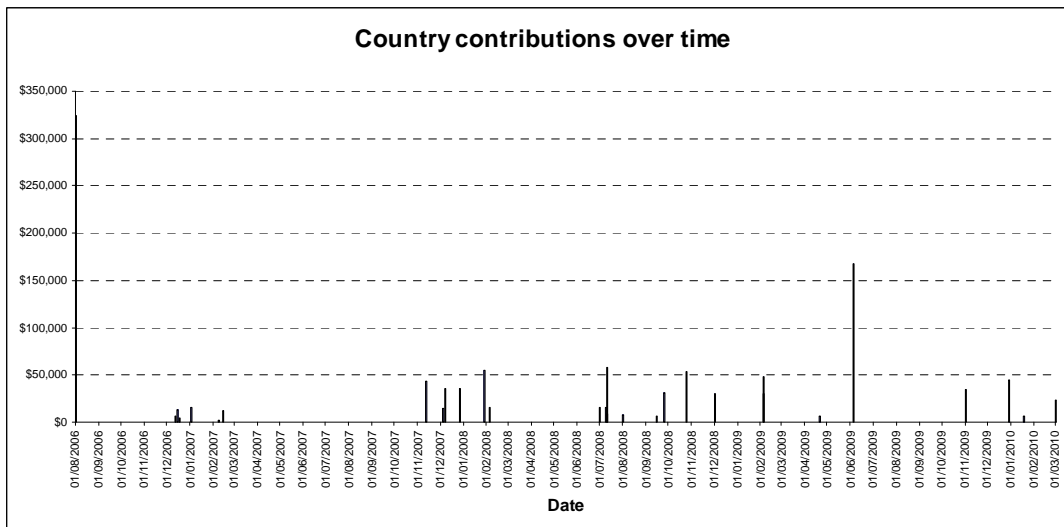
Figure 2  
**Financial contributions by Parties 2006–2010**



19. In view of the emphasis placed by the United Nations General Assembly on stable, adequate and predictable resources, figure 3 below shows the intake of voluntary donations over time. It indicates that contributions were received rather unpredictably and with large time lags between contributions, making good planning between activities difficult and creating serious problems for ensuring the continuity of human resources and their effective use.

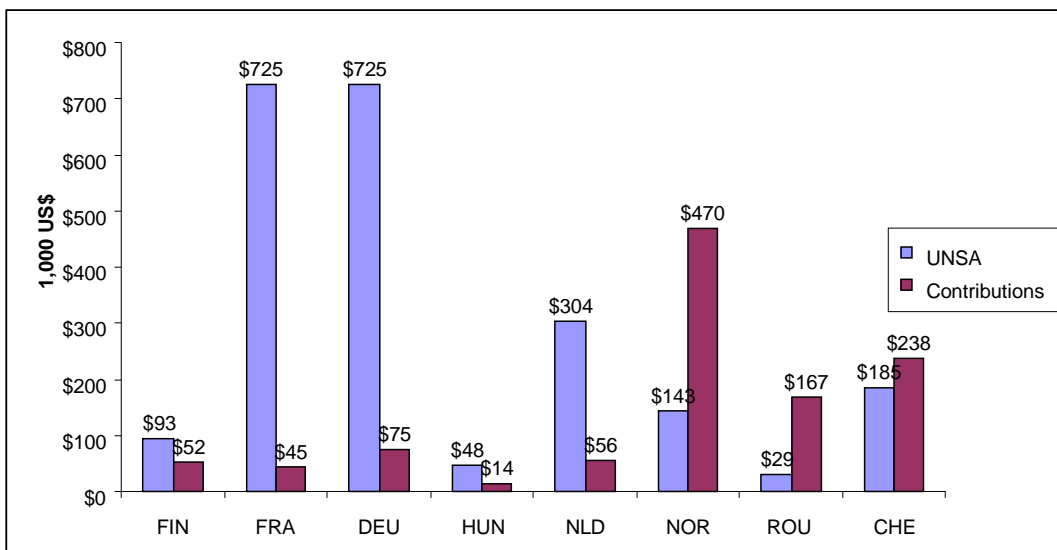


Figure 3  
Financial intake/commitments by the Parties 2006–2010



20. Finally, figure 4 compares the funds deposited in the UNECE and WHO Trust Funds by the Parties with what their allocations would be according to the UNSA.

Figure 4  
Comparison of actual contributions to UNSA



### C. Additional contributions

21. It has to be recognized that a number of countries provided important contributions, including in kind, without necessarily being Party to the Protocol. This support took the form of hosting meetings, supporting the work of subsidiary bodies and organizing workshops or training events to meet specific capacity-development needs.

22. The additional support of Croatia, France, Germany, Israel, Italy, Romania and Sweden, as well as multilateral organizations such as the Organization for Security and Cooperation in Europe (OSCE), the European Union Water Initiative (EUWI), the UNDA and the project on target setting in the Republic of Moldova funded by the Swiss Government, were all important additions to the resources provided in cash by the Parties for the implementation of the programme of work.

#### **D. Human resources in the joint secretariat**

23. The role of the joint secretariat is defined in Article 17 of the Protocol as follows:

“The Executive Secretary of the Economic Commission for Europe and the Regional Director of the Regional Office for Europe of the World Health Organization shall carry out the following secretariat functions for this Protocol

“(a) The convening and preparing of meetings of the Parties;

“(b) The transmission to the Parties of reports and other information received ...;

“(c) The performance of such other functions as may be determined by the Meeting of the Parties on the basis of available resources.”

24. Human resources made available by the WHO/EURO to the joint secretariat have included the part-time services of a regional adviser, a technical officer (until January 2007) and a secretary (G-4 level). Catalytic funding has been provided from the WHO Regular Budget for operational expenses, including travel to Geneva to attend relevant meetings. WHO has also drawn on other departments at WHO/EURO and at headquarters, as well as its network of collaborating centres, to provide the best possible evidence and technical expertise in support of the Protocol. Furthermore, WHO has also assumed responsibility for providing services to the Ad Hoc Project Facilitation Mechanism.

25. In UNECE, the resources which are available from the regular budget have been maintained at the same level since the first meeting of the Parties (40 per cent of a P-4 post, 20 per cent of a P-3 post, and 25 per cent of a General Service post). However to be able to deal with the increased number of activities and responsibilities, an additional staff member has been hired with extrabudgetary funds. The resources available to cover the cost of this crucial additional staff member have been neither stable nor predictable. This has caused a delay of more than six months in the start of the implementation of the programme of work for 2007–2010, and has imposed a drain on the available resources for fund-raising.

#### **E. Conclusions on financing in the first intersessional period 2007–2010**

26. The information summarized above leads to the following conclusions:

(a) Resource mobilization by the joint secretariat, although time and labour intensive, has not allowed full coverage of the budget approved by the Meeting of the Parties at its first session. Consequently, the organizations of the joint secretariat have been forced to contribute more than foreseen, especially with regard to human resources;

(b) The lack of financial resources has made it impossible to implement all activities as approved by the Meeting of the Parties at its first session;

(c) At present 8 out of 24 Parties carry the main financial burden for the implementation of the Protocol. Financial burdens are unequally divided between the Parties: more than 75 per cent of all financial contributions are provided by only three

countries (12.5 per cent of the Parties carry 78 per cent of the financial burden of the voluntary donations);

(d) Contributions arrived in the respective Trust Funds in an unpredictable and unequal manner throughout the intersessional period. Resources are neither stable, nor predictable;

(e) For those Parties that do contribute, some contribute significantly less than what would be considered an equitable contribution under the UNSA, while two contributed significantly more.

27. There is a clear need to explore what solutions may exist to realize stable, adequate and predictable funding. Exploration of the financial arrangements in other multilateral environmental agreements (MEAs) to which Parties to the Protocol on Water and Health have acceded may provide insight on what is politically possible. This exploration is done in the following paragraphs.

## **IV. Funding of other multilateral environmental agreements**

### **A. Overview**

28. Financing arrangements in other MEAs provide a useful background for the discussion of financing options for the Protocol. There are, however, two important caveats in this discussion: with well over 250 MEAs in force at the time of writing, each with its own particularities, the discussion has of necessity to be selective. Furthermore, in most MEAs, financing mechanisms were decided from the time of their inception, and not addressed after they were already being implemented, as would be the case with the Protocol.

29. Such caveats notwithstanding, two core questions need to be explored: are financing issues addressed within the legal provisions of other MEAs, and, if so, are such financial contributions of a voluntary or a mandatory nature?

30. Global MEAs offering specific provisions on financing include the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal (Basel Convention)<sup>7</sup> (Art. 14) and the Convention on Biological Diversity (CBD)<sup>8</sup> (Arts. 20 and 21).

31. The acceptance of fixed contribution schemes does not seem to be limited to global MEAs, but extends to regional agreements.

32. At the regional level, financial regulations are detailed in a number of MEAs. For example:

- The 1992 Convention on the Protection of the Marine Environment of the Baltic Sea<sup>9</sup> states that “the total amount of the budget, including any supplementary budget adopted by the Commission shall be contributed by the Contracting Parties [...] in equal parts” (Art. 22, para. 3). The financing model “in equal parts” is only possible in MEAs where Parties are of comparable socio-economic standing.

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<sup>7</sup> The full text of the Basel Convention is available at <http://www.basel.int/text/con-e-rev.pdf>.

<sup>8</sup> The full text of the Convention on Biological Diversity is available at <http://www.cbd.int/convention/convention.shtml>.

<sup>9</sup> The full text of the Convention is available at [http://www.helcom.fi/Convention/en\\_GB/text/#art22](http://www.helcom.fi/Convention/en_GB/text/#art22).

- The Convention for the Protection of the Marine Environment of the North-East Atlantic (OSPAR Convention),<sup>10</sup> operates a “basic budget” to which Parties contribute in accordance with their gross national product (GNP) in accordance with the scale of assessments adopted by the United Nations General Assembly (Rules of Procedure, Annex 1 Financial Regulations, Chapter C, para. 12).<sup>11</sup>
- The Mediterranean Trust Fund, which funds the operational aspects of the Convention for the Protection of the Mediterranean Sea against Pollution (Barcelona Convention), is based on the United Nations scale of assessments.
- The Convention on Cooperation for the Protection and Sustainable Use of the Danube River (Danube River Protection Convention)<sup>12</sup> and the Convention for the Protection of the Rhine<sup>13</sup> operate on a tiered system. In the specific case of the Rhine River Convention, it is worth noting that the highest contributing countries cover 32.5 per cent of the annual budget, well in excess of the 22 per cent cap on the United Nations scale of assessments.

33. Parties to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) are exploring the possibility of a contribution scheme based on the UNSA.<sup>14</sup> At its twelfth session (Geneva, 30 June–2 July 2010), the Working Group of the Parties to the Aarhus Convention provided comments on the draft decision on the proposed financial arrangements and requested the Bureau to revise the draft decision with the assistance of the secretariat, and to submit it for consideration by the Working Group at its next meeting.

34. This short overview leads to two conclusions:

(a) Major MEAs do address the issue of financing within their core legal texts. Many relevant examples can be identified where the contributions are fixed either on the basis of the United Nations scale of assessments, or where a tiered approach to fixing financial contributions has been agreed by the Parties;

(b) In a number of cases where the issue of financing was not addressed in the core legal text, other means have been found to address it, such as through the rules of procedure or specific decisions by the Meeting of the Parties;

(c) A mixture of voluntary and mandatory contribution schemes exists, but voluntary schemes are usually adhered to only by the Parties to the MEA concerned.

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<sup>10</sup> The full text of the OSPAR Convention is available at [http://www.ospar.org/html\\_documents/ospar/html/OSPAR\\_Convention\\_e\\_updated\\_text\\_2007.pdf](http://www.ospar.org/html_documents/ospar/html/OSPAR_Convention_e_updated_text_2007.pdf).

<sup>11</sup> Rules of procedure of the OSPAR Convention available at [http://www.ospar.org/documents/DBASE/DECRECS/Agreements/05-17e\\_Rules%20of%20Procedure.doc](http://www.ospar.org/documents/DBASE/DECRECS/Agreements/05-17e_Rules%20of%20Procedure.doc)

<sup>12</sup> See the Statute of the International Commission for the Protection of the Danube River in Annex IV to the Danube Convention, available at <http://www.icpdr.org/icpdr-pages/drpc.htm>.

<sup>13</sup> See Art. 13 of the Convention (available at [http://www.iksr.org/fileadmin/user\\_upload/Dokumente\\_en/convention\\_on\\_the\\_protection\\_of\\_the\\_rhine.pdf](http://www.iksr.org/fileadmin/user_upload/Dokumente_en/convention_on_the_protection_of_the_rhine.pdf)) and Art. 9 of the Rules of Procedure and Financial Regulations of the International Commission for the Protection of the Rhine (available at [http://www.iksr.org/fileadmin/user\\_upload/Dokumente\\_en/Gesch\\_fts-Finanzordnung-e.pdf](http://www.iksr.org/fileadmin/user_upload/Dokumente_en/Gesch_fts-Finanzordnung-e.pdf)).

<sup>14</sup> See draft decision on financial arrangements, Aarhus Convention document WGP-12/Inf.3 available online at [http://www.unece.org/env/pp/wgp/fin\\_arrang\\_Inf\\_3.pdf](http://www.unece.org/env/pp/wgp/fin_arrang_Inf_3.pdf).

## B. Position of the Parties

35. Parties to the Protocol are also Parties to the above-mentioned MEAs and adhere to their financing agreements. Membership in the various MEAs is shown in table 2 below:

Table 2

### Parties participating in multilateral environmental agreements with standing financing agreements

	<i>Basel Convention</i>	<i>CBD</i>	<i>Helsinki Convention</i>	<i>OSPAR Convention</i>	<i>Barcelona Convention</i>	<i>Danube River Protection Convention- Convention on the Protection of the Rhine</i>	<i>WHO Framework Tobacco Control</i>	<i>Aarhus Convention</i>
Albania	P	P			P		P	P
Azerbaijan	P	P					P	P
Belarus	P	P					P	P
Belgium	P	P		P			P	P
Croatia	P	P			P	P	P	P
Czech Republic	P	P				P		P
Estonia	P	P	P				P	P
Finland	P	P	P	P			P	P
France	P	P		P	P		P	P
Germany	P	P	P	P		P	P	P
Hungary	P	P				P	P	P
Latvia	P	P	P				P	P
Lithuania	P	P	P				P	P
Luxembourg	P	P		P			P	P
Netherlands	P	P		P			P	P
Norway	P	P		P			P	P
Portugal	P	P		P			P	P
Republic of Moldova	P	P				P	P	P
Romania	P	P				P	P	P
Russian Federation	P	P	P				P	
Slovakia	P	P				P	P	P
Spain	P	P		P	P		P	P
Switzerland	P	P		P				
Ukraine	P	P			P	P		P

## C. Conclusion

36. There are two important conclusions to be drawn from the above information:

(a) Standing funding arrangements are successfully operating in a number of global, regional and subregional MEAs, and in health-related international agreements;

(b) Parties to the Protocol are also Party to many such agreements and adhere to the funding arrangements.

37. There is therefore a priori no reason why a funding mechanism based on the UNSA for the Protocol should not be further explored. It is therefore appropriate to explore what the results would be of the implementation of a UNSA-based contribution scale for the Protocol. This is explored in the following section.

## V. Funding the 2010–2013 intersessional programme of work

38. Based on the draft programme of work as contained in document ECE/MP.WH/2010/L.1–EUR/EUDHP1003944/4.2/1/3 and the UNSA, the following distribution of proposed financial contribution can be calculated for two cases: the minimum and maximum requirements of the core budget, and the minimum and maximum requirements for the overall budget. This is done in table 3 for the core budget, and table 4 for the overall budget (see below).

Table 3  
Protocol core budget distributed among the Parties in accordance with UNSA

<i>Parties</i>	<i>UN &amp; WHO adjusted scale of assessments (%) capped</i>	<i>Min (US\$/y)</i>	<i>Max (US\$/y)</i>
Albania	0.0475	507	545
Azerbaijan	0.0712	760	817
Belarus	0.1994	2 127	2 288
Belgium	5.0213	53 567	57 609
Croatia	0.4606	4 913	5 284
Czech Republic	1.6571	17 678	19 012
Estonia	0.1899	2 026	2 179
Finland	2.6875	28 670	30 834
France	21.0000	224 028	240 933
Germany	21.0000	224 028	240 933
Hungary	1.3817	14 740	15 853
Latvia	0.1804	1 925	2 070
Lithuania	0.3086	3 293	3 541
Luxemburg	0.4273	4 559	4 903
Netherlands	8.8084	93 968	101 059
Norway	4.1362	44 125	47 454
Portugal	2.4263	25 884	27 837
Republic of Moldova	0.0095	101	109
Romania	0.8404	8 966	9 642
Russian Federation	7.6071	81 153	87 277
Slovakia	0.6742	7 193	7 736
Spain	15.0861	160 938	173 082
Switzerland	5.3660	57 244	61 564
Ukraine	0.4131	4 407	4 739

Table 4  
**Distribution of the overall budget among the Parties in accordance with UNSA**

<i>Parties</i>	<i>UN &amp; WHO adjusted scale of assessment (%) capped</i>	<i>Min (US\$/y)</i>	<i>Max (US\$/y)</i>
Albania	0.0475	633	728
Azerbaijan	0.0712	949	1 093
Belarus	0.1994	2 658	3 061
Belgium	5.0213	6 6904	77 087
Croatia	0.4606	6136	7 071
Czech Republic	1.6571	22 079	25 440
Estonia	0.1899	2 530	2 916
Finland	2.6875	35 808	41 258
France	21.0000	279 804	322 392
Germany	21.0000	279 804	322 392
Hungary	1.3817	18 410	21 213
Latvia	0.1804	2 404	2 770
Lithuania	0.3086	4 112	4 739
Luxembourg	0.4273	5 694	6 560
Netherlands	8.8084	117 363	135 226
Norway	4.1362	55 110	63 498
Portugal	2.4263	32 329	37 249
Republic of Moldova	0.0095	126	146
Romania	0.8404	11 198	12 902
Russian Federation	7.6071	10 1358	11 6784
Slovakia	0.6742	8 983	1 0351
Spain	15.0861	201 007	231 601
Switzerland	5.3660	71 496	82 378
Ukraine	0.4131	5 504	6 342

39. Taken in absolute terms, the proposed annual contribution may seem high, even excessive, especially for those countries that are the major contributors to the United Nations. A comparison with the funding provided yearly in terms of official development assistance (ODA) for water supply and sanitation by the main donors Party to the Protocol will help to put these figures in perspective. This is done in the following section.

## **VI. Comparison of the suggested contribution with official development assistance for water supply and sanitation**

40. In 2008, total net ODA from members of the OECD Development Assistance Committee (DAC) rose 10.2 per cent in real terms to US\$ 119.8 billion. This is the highest dollar figure ever recorded. It represents 0.30 per cent of member's combined gross national income. Bilateral development projects and programmes have been on a rising trend in recent years; they rose significantly by 12.5 per cent in real terms in 2008

compared to 2007, indicating that donors are substantially scaling up their core aid programmes, particularly through bilateral programmes.

41. Some of the Parties to the Protocol are very important donors in global bilateral ODA in the water supply and sanitation sectors, such as Portugal, Luxembourg, Norway, Finland, Belgium, Spain, France, the Netherlands and Germany. The largest volume increases came from the United States of America, Spain, Germany, Japan and Canada. In addition, significant increases were recorded from Australia, Belgium, Greece, New Zealand and Portugal.<sup>15</sup> Unfortunately, only 4 per cent of that ODA is allocated to the European region.

42. Table 5 below shows the evolution of ODA for water supply and sanitation<sup>16</sup> by donors Party to the Protocol over the period 2006–2008. There is a generally upward trend, with the exception of Portugal, which showed a sharp decrease in assistance.

**Table 5**  
**Official development assistance from Parties to the Protocol 2006–2008**

(in United States dollars)

	2006	2007	2008	Protocol \$/y	Protocol %
Belgium	55 160 000	47 980 000	102 960 000	78 411	0.08
Finland	44 170 000	30 590 000	51 180 000	41 967	0.08
France	237 420 000	391 230 000	359 650 000	327 929	0.09
Germany	497 140 000	593 960 000	906 440 000	327 929	0.04
Luxembourg	10 270 000	12 950 000	19 020 000	6 673	0.04
Netherlands	455 150 000	359 270 000	373 080 000	137 549	0.04
Norway	28 020 000	46 600 000	44 650 000	64 589	0.14
Portugal	630 000	1 570 000	320 000	37 889	11.84
Spain	69 030 000	121 450 000	577 070 000	235 579	0.04

43. The data on ODA from the Parties in the last available year is then shown against the suggested yearly contribution based on the UNSA for the maximum overall budget as detailed above. This is shown in table 6 below.

<sup>15</sup> “Development aid at its highest level ever in 2008”, article on OECD website available at: [http://www.oecd.org/documentprint/0,3455,en\\_2649\\_34447\\_42458595\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/documentprint/0,3455,en_2649_34447_42458595_1_1_1_1,00.html).

<sup>16</sup> Source: OECD International Development Statistics Query Wizard, available at <http://stats.oecd.org/qwids/#?x=1&y=6&f=3:40,4:1,5:4,2:1,7:1&q=3:40+4:1+5:4+2:1+7:1+1:5,8,9,10,13,15,16,18,19,20,22+6:2004,2005,2006,2007,2008,2009>.



Table 6  
**Official development assistance against suggested yearly contribution based on UNSA**  
 (in United States dollars)

	2008	Protocol \$/y
Belgium	102 960 000	78 411
Finland	51 180 000	41 967
France	359 650 000	327 929
Germany	906 440 000	327 929
Luxembourg	19 020 000	6 673
Netherlands	373 080 000	137 549
Norway	44 650 000	64 589
Portugal	320 000	37 889
Spain	577 070 000	235 579
Switzerland	49 280 000	83 793

44. Comparing the flows of ODA from Parties against the suggested contribution based on UNSA shows that the proposed contribution to the Protocol would be a very, very small amount of ODA, in most cases less than 0.1 per cent of overall ODA. It is admitted that the 2008–2009 economic crisis may have influenced this picture; nevertheless, the basic tenant of the argument is likely to hold.

45. Finally, the important contribution that can be made through non-monetary contributions needs to be explored further. This is done in the following section.

## VII. Non-monetary contributions

46. Recognizing that human resources form an essential component of the budget needed for the implementation of the work programme, it is appropriate to reflect that these needs can be met through other means than direct financial contributions. Among the most common forms through which member States contribute to the work of international organizations are:

(a) *Junior or associate expert.* These are typically young professionals with a university degree in an appropriate discipline and a few years of professional experience, made available to the receiving organization for a period usually not exceeding three years. Parties to the Protocol which have a junior professional officer (JPO) programme may wish to consider providing such an Associate Expert to either WHO or UNECE to support the work of the Protocol;

(b) *Staff secondment.* Certain countries second staff from their national administrations to United Nations agencies for a determined period of time to work on topics of mutual interest. A country could, for example, identify the work on water-related disease surveillance as an area of common interest, and second a staff member to the joint secretariat to work in this area for the implementation of the approved workplan under the Protocol. Staff members should be seconded with a sufficient budget to allow them to be operationally active (i.e., able to travel to countries in the region; participate in meetings of the Parties and the subsidiary bodies of the Protocol, etc.);

(c) *Strengthening national institutes.* Countries may also wish to strengthen national institutes by making funding directly available to them for the recruitment or

continued appointment of a staff member who would then support the common secretariat as an outposted staff member.

47. For some donor countries, funding or providing staff to the joint secretariat could be an important contribution to fulfilling the responsibilities of a Party to the Protocol, and may be easier to realize than a similar contribution in cash. The draft programme of work estimates the cost of one Professional staff in the joint secretariat at about US\$ 170,000, depending on seniority and duty station. This compares to the national contributions proposed for the main donors, which equate to approximately two staff members per year.

48. In addition to providing direct assistance with meeting human resource needs, other important non-monetary contributions include the provision of leadership to the subsidiary bodies of the Meeting of the Parties and support for their functioning through the hosting of meetings, the provision of financial support to participants, publications of results, etc.

## **VIII. Summary and conclusions**

49. The munificence of current major donors notwithstanding, fund-raising efforts have not been sufficiently effective to ensure complete implementation of the programme of work for the Protocol on Water and Health adopted by the Parties at their first meeting.

50. Funding in the first intersessional period was characterized by inequality in the sources of funding, considerable differences in the voluntary contributions in relation to what would have been a UNSA-based contribution model, and unstable and unpredictable intake of funds in the Trust Funds operated by the joint secretariat. The 2007–2008 financial crisis is a further cause for concern in this area.

51. Parties have acceded to a wide variety of global, regional and subregional MEAs and health instruments with functional financing rules of a voluntary or mandatory nature, many of which are based on the UNSA. Such arrangements are not an insurmountable obstacle to the Parties.

52. Turning to the future, a suggested contribution per Party based on the UNSA for the implementation of the draft programme of work 2011–2013 has been calculated which shows that the resulting national contributions would be an infinitesimally small proportion of the ODA currently being devoted to water supply and sanitation by the major donors.

53. Finally, the importance of non-monetary contributions, especially in the area of human resource needs, is highlighted.

54. Parties may, on the basis of this information, wish to reflect on the dangers of embarking on a more ambitious programme of work for the period 2011–2013 with the same ad hoc financing arrangements that characterized the 2006–2010 intersessional period. In particular, they may wish to reflect on the advisability of creating a mechanism of voluntary or mandatory contributions to the Protocol based on the UNSA that would provide stable, adequate and predictable resources to the programme of work that they will adopt during the second session of the Meeting of the Parties to the Protocol on Water and Health.

## IX. Way forward

55. The Meeting of the Parties may wish to adopt a decision along the following lines:

*The Meeting of the Parties to the Protocol on Water and Health,*

1. *Decides* to establish a voluntary scheme of contributions aimed at covering the [core] [full] costs of the work programme 2011–2013, based on the United Nations scale of assessments, whereby each Party [shall] [may decide to] contribute each year as a minimum the amount derived from applying the adjusted scale of assessments;

2. *Invites* Signatories, other interested States and organizations, to contribute, in cash and in kind, towards covering the costs of the work programme;

3. *Encourages* Parties that have historically contributed generously to maintain their previous levels of contribution; such contributions may be in cash, in kind or in the form of suitably qualified human resources, and may be earmarked for particular activities;

4. *Also encourages* Parties that have so far not contributed, or have contributed significantly less than an amount proportionate to their contributions per the United Nations scale of assessments, to increase their contributions during the current and future budget cycles either in cash, in kind, or through the provision of suitably qualified human resources, to meet the proposed levels, and *requests* the Bureau and the joint secretariat to liaise with such Parties concerning the achievement of this goal;

5. *Requests the joint secretariat* to prepare annual financial reports for the Bureau and Working Group meetings, which will form the basis for the revision or adjustment of the work programme of the following year;

6. *Agree* to review the operation of the scheme of financial arrangements at its third session.