The financing structure of the International Meuse Commission

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Virtual Workshop on designing legal frameworks for transboundary water cooperation
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Presentation of the Meuse basin

- 35 000 km²
- 905 km
- about 9 Millions inhabitants
- 5 countries / 8 delegations (3 Regions for Belgium)
- Main water uses: drinking water, agriculture, inland navigation...
Legal basis - IMC

→ **International Meuse Agreement - Ghent 3**
  **Dec. 2002** - International Meuse Commission (FR, BE, NL, LU, DE)
  • Sustainable and integrated water management for the international Meuse basin district by reference to the EU Water Framework Directive 2000
  • Update of the agreement due to the basin related EU Water Framework Directive 2000 (additional Parties DE and LU)


Legal basis – IMC financing (I)

International Meuse Agreement

Art. 7: Financing of the commission

(1) Each Party finances its representatives in the Commission.

(2) The Parties finance all costs of the functioning of the Commission, including the secretariat, based on the following distribution keys.

- Germany: 14.5%
- Belgium (Kingdom): 0.5%
- Belgium (Brussels region): 4.5%
- Belgium (Flemish region): 5%
- Belgium (Walloon region): 30%
- France: 15%
- Luxemburg: 0.5%
- Netherlands: 30%

In case of any later accession, leave of a Party or with regard to specific activities, the Commission can decide on a different distribution key.
Contribution key is based on share of the basin and the size of population in this area

<table>
<thead>
<tr>
<th>Parties</th>
<th>Surface</th>
<th>%</th>
<th>Population</th>
<th>%</th>
<th>% of contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>8.919</td>
<td>26%</td>
<td>671.000</td>
<td>7%</td>
<td>15%</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>72</td>
<td>0,2%</td>
<td>51.000</td>
<td>0,5%</td>
<td>0,5%</td>
</tr>
<tr>
<td>Wallonia</td>
<td>12.300</td>
<td>35%</td>
<td>2.197.000</td>
<td>23%</td>
<td>30%</td>
</tr>
<tr>
<td>Flanders</td>
<td>1.596</td>
<td>5%</td>
<td>440.000</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Bruxelles</td>
<td>0</td>
<td>0%</td>
<td>950.000</td>
<td>9,8%</td>
<td>4,5%</td>
</tr>
<tr>
<td>Belgium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0,5%</td>
</tr>
<tr>
<td>Germany</td>
<td>3.977</td>
<td>11%</td>
<td>1.897.000</td>
<td>20%</td>
<td>14,5%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>7.700</td>
<td>22%</td>
<td>3.500.000</td>
<td>36%</td>
<td>30%</td>
</tr>
</tbody>
</table>

34.664 km²  9.706.000 inhabitants  100%

The commission doesn’t finance any projects in practical terms. Water management projects are implemented and financed by the countries or regions.
Legal basis – IMC financing (II)

Rules of procedure and financial regulations

• Article 5 paragraph 8 of the agreement

“The Commission adopts internal rules of procedure and financing in order to organize its work . . . .”
Such rules have been adopted first on 28 November 2003 and have been updated in the meantime according to the needs, but not with regard to financing yet.

• Article 15 - financial regulations
  
  Text is too comprehensive to be fully cited here
Rules of procedure and financial regulations

Article 15 – Main aspects

• Yearly budget (calendar year) adopted by the Commission in its plenary meeting
• Budget has to present all expected incomes and expenses, budget has to be balanced
• Contributions of the Parties have to be paid until 15 March each year or at least 50 % until 31 January and the rest until 30 June
• Permanent reserve fund to ensure functioning of the Commission, max. 15 % of the overall budget
• President and general secretary are responsible for economical and efficient budgetary management
• 2 auditors check the budgetary management until 15 march of the following year ; nominated by Commission for three years, can be re-nominated
• Written report to the Commission, which on this basis gives discharge to the president
Budgetary expenditure

- Human resources: 22%
- Rental costs: 7%
- Meetings organisation: 10%
- Office expenses: 4%
- Communication: 4%
- Information system: 7%
- Accountant: 4%
- Secretary General: 22%
- Executive secretary: 7%
- Administrative secretary: 7%

20 working groups meetings
2 Heads of delegation meetings
1 Plenary Assembly
Challenges of IMC Financing

• Multi-annual expenditure forecast: difficulties to anticipate future expenditures
  • Parties want to have security in financial planning for the coming years

• No increase of the contributions: constant budget despite inflation rates
  • Due to national economic situation some Parties wanted to freeze their contributions, due to equal treatment of all Parties all contributions have not changed since several years
Lessons learned

- Budget transparency (how has the money been spent) is important

- Communication about the commission’s achievements owing to the contributions is useful, also for the visibility of the IMC
Thank you for your attention!