

## Annual Report 2015



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ACRONYMS

CSO	Civil Society Organization
HRWS	Human Right to Water and Sanitation
IWRM	Integrated Water Resources Management
NGO	Non-Governmental Organisation
NHRI	National Human Rights Institution
SDG	Sustainable Development Goal
WASH	Water, Sanitation and Hygiene

Activities

- Water governance assessment
- Law and policy analysis
- Consulting services
- Capacity building

Outputs

- Publications
- Conferences & workshops
- Water law & policy reforms
- Water governance monitoring

Consultative status

- Special consultative status to UN ECOSOC
- UN Water Partner
- Inter-Parliamentary Union (IPU)

FOREWORD



INTRODUCTION

As WaterLex marks its fifth anniversary in 2015, the year concluded with a number of demonstrated achievements in promoting a human rights-based approach to water management to secure improved water governance. This year also marked the United Nations Sustainable Development Summit for the adoption of the 2030 Agenda and the seventeen Sustainable Development Goals (SDGs). WaterLex specializes in addressing the challenges set forth in SDG 6 “Clean Water and Sanitation” and also in SDG 16, “Peace, Justice, and Strong Institutions.” Throughout 2015, WaterLex used its specialised expertise, programmes and tools to increase the knowledge and capacity of hundreds of Parliamentarians, National Human Rights Institutions (NHRI), governmental institutions, and Civil Society Organisations (CSOs). WaterLex provided leadership and worked in partnership with experts from many partner and donor organizations to support governments and provide trainings to water governance stakeholders at local, national, regional and international levels.

2015 ACCOMPLISHMENTS

This year, WaterLex was active in more than a dozen countries and on four continents. In Africa, Asia, Europe, and Latin America, WaterLex made substantial contributions to the implementation of the Human Right to Water and Sanitation (HRWS) by performing comprehensive country-mappings (Uganda and Tunisia), by sharing its decision-aid tools, knowledge and expertise at conferences, high-level panels, and by building capacity through training workshops.

MEETING DONOR OBLIGATIONS

At the close of 2015, WaterLex met all of its donor obligations for each of its programmes. WaterLex faced exchange rate-related losses on non-Swiss funding received in 2015. The strong Swiss franc soared in value with the actions of the Swiss National Bank in January 2015, leading to a rapid appreciation of the franc. To address this severe change, WaterLex took strong financial and operational measures in order to meet all required obligations to our primary partners and donors.

LOOKING FORWARD

Looking forward to 2016 and 2017, WaterLex will continue to build internal capacity to deliver greater impacts for human rights based water governance. WaterLex believes that maximum change can be achieved through the design of appropriate legal and institutional frameworks. These frameworks address solutions for equitable access to water for all people; the increasing competition and overuse of water; water pollution and improved sanitation.

Jean-Benoit Charrin  
Executive Director, WaterLex

Eibe Riedel  
President, WaterLex Board of Directors

By creating space for collaborations on the human right to water, WaterLex is the catalyst for change in sustainable water governance and management.

# ABOUT WATERLEX

The overall philosophy of WaterLex highlights the crucial importance of human rights-based approaches to the many challenges concerning water management, monitoring compliance with human rights standards, and ensuring that the economic, social and cultural factors underlying water, sanitation and hygiene issues are properly addressed.

## VISION

"A world in which water resources management and governance secure human rights and sustainable development for everyone"

## MISSION

"Sustainable solutions based on human rights to improve water governance worldwide."

## ADDED VALUE

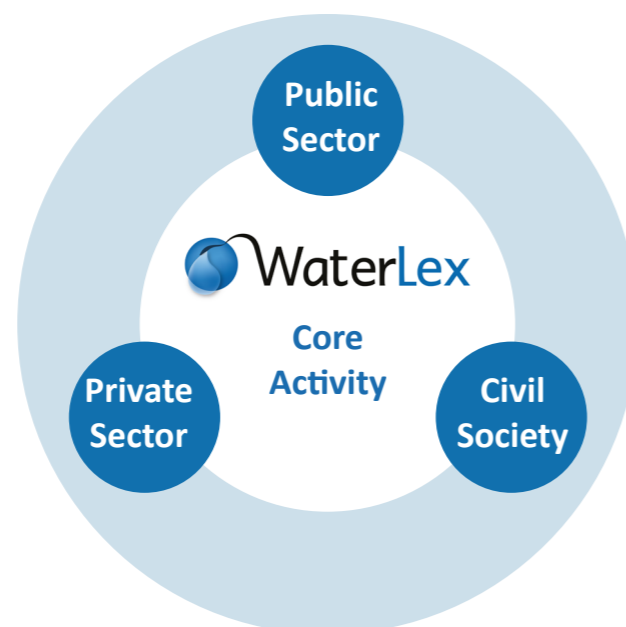
WaterLex provides an enabling environment to secure key stakeholders' buy-in of legal and policy reforms supported by public, private and civil society sectors.

## ACTIVITIES

Legal and water governance services.

## MEMBERS

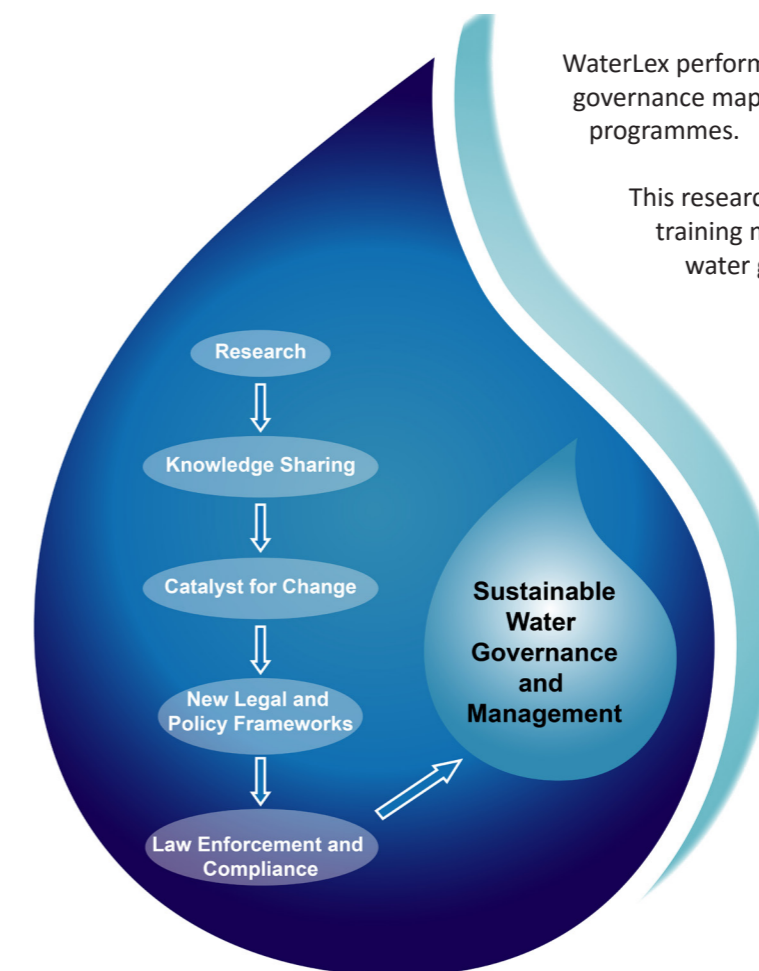
Globally, there are nearly 100 WaterLex Members, who are experts and professionals with experience from the academic, national and international public service, diplomatic, private and non-profit sectors. The advice, support, and knowledge that Members offer to WaterLex are important to programme implementation globally, as Members hail from over a dozen countries.



WaterLex is at the heart of global water governance, operating as a facilitator among Public Sector, Private Sector and Civil Society stakeholders.

## CONSULTATIVE STATUS

Official UN-Water (Inter-agency coordination) Partner status [www.unwater.org](http://www.unwater.org)  
 Special consultative status with United Nations – ECOSOC [www.un.org/en/ecosoc/](http://www.un.org/en/ecosoc/)  
 Consultative status with UN Economic Commission for Europe [www.unece.org](http://www.unece.org)  
 Consultative status with the Inter-Parliamentary Union (IPU) [www.ipu.org](http://www.ipu.org)  
 Consultative status with the African Commission on Human and Peoples' Rights [www.achpr.org](http://www.achpr.org)



WaterLex performs legal **Research** and inclusive water governance mappings as the foundation of projects and programmes.

This research then leads to creation of tools and training materials for **Knowledge Sharing** for water governance stakeholders.

As a **Catalyst for Change**, WaterLex leverages its specialised methodologies and status with governmental institutions as a means to develop **New Legal and Policy Frameworks**, as well as to support the strengthening of **Law Enforcement and Compliance** at national level.

The ultimate goal and test for all WaterLex activities is the attainment of **Sustainable Water Governance** through **Sustainable Water Management**.

WaterLex contributes to sustainable water governance and management through a catalytic cycle of research, knowledge training and legal products.

## MEMBERSHIPS

Global Water Partnership (Global Partner) [www.gwp.org](http://www.gwp.org)  
 Swiss Water Partnership (Board) [www.swisswaterpartnership.ch](http://www.swisswaterpartnership.ch)  
 UNEP – Global Wastewater Initiative [www.unep.org/gpa/gwi/](http://www.unep.org/gpa/gwi/)  
 UNDP – Global Water Solidarity [www.globalwatersolidarity.org/](http://www.globalwatersolidarity.org/)

## LEGAL STATUS

International Development Organization, established as a Swiss non-profit association in Geneva Switzerland (Art.60FF).  
 WaterLex American Friends Fund is part of the King Baudouin Foundation United States (KBFS). A public charity registered in Sections 501(c)(3) and 509(a)(1) of the United States Internal Revenue Code.

# INTERNATIONAL ACTIVITIES

WaterLex provides its expertise to governments, parliamentarians, NHRIs, businesses, NGOs and water operators to support their individual and collective responses toward the realisation of the human right to water and sanitation. WaterLex delivers training and advisory services with the intent that all activities will have a net positive effect at local, national, and regional levels.

Corresponding sections in this report hold many more details of impacts in 2015. Highlights include:

## The WaterLex Impact Map



**WASH:** Country Mapping in Uganda. WaterLex managed a project of field research at national and district level to construct a baseline of the state of realisation of the right to water and sanitation in the country.

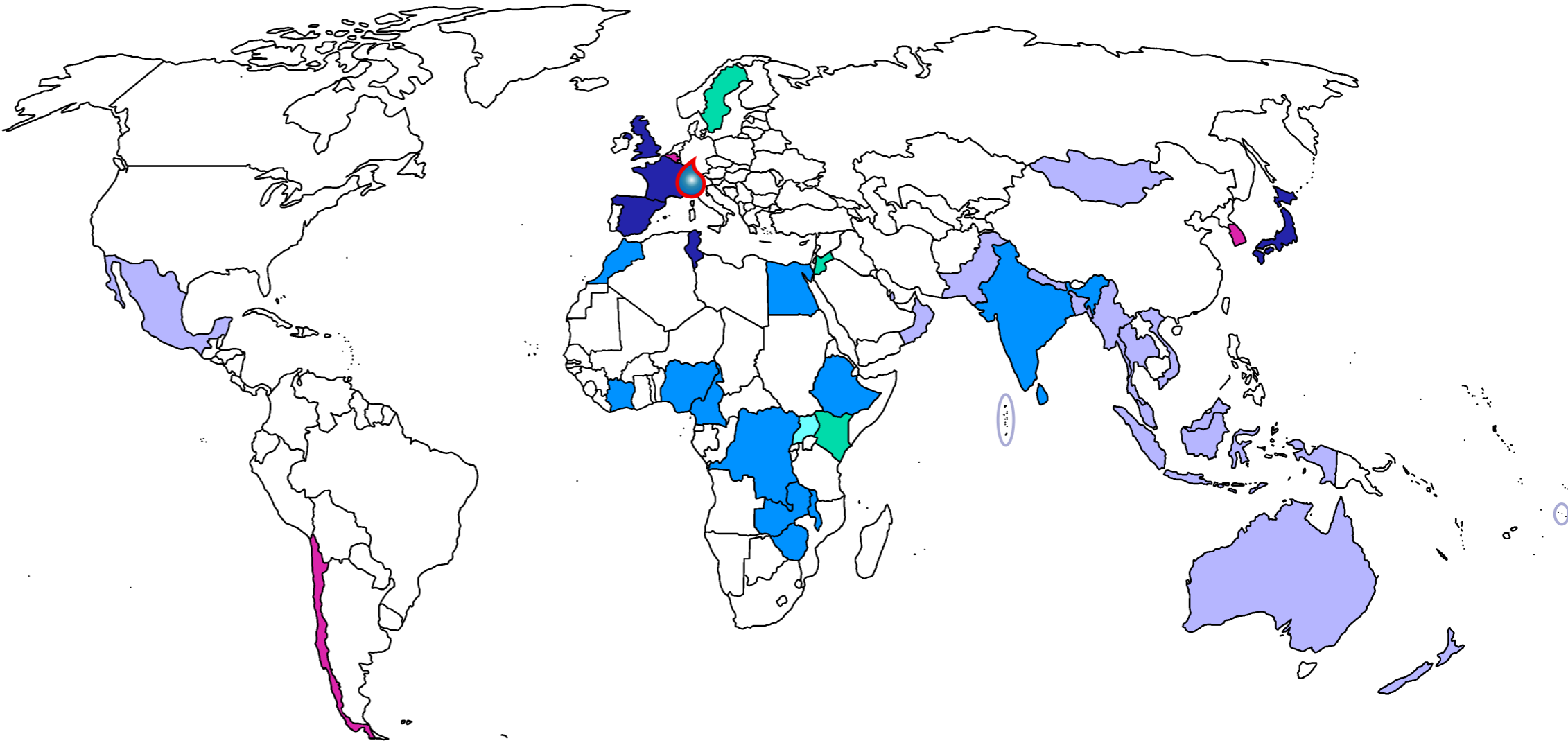
**IWRM course:** 35 participants from 10 regions of the world took part in the online WaterLex course on human rights based approach to IWRM hosted by UNDP Cap-Net.

**Knowledge sharing:** Presentations took place in Jordan, Stockholm and Kenya.

**CSO:** Range of interactions with NGO and industry associations in Europe, North Africa and Asia, including a large youth initiative.

**NHRI:** Capacity building of NHRIs from 19 countries.

**Parliamentarian:** High level support to parliamentarians and law makers in Asia, Europe and Latin America



# LEGAL RESEARCH

## Expansion of the WaterLex Legal Database

This initiative allows academics and water governance practitioners from around the world to follow evolving law and legal doctrine in a dynamic online platform. This free database compiles legal sources and good practices in compliance with the human right to water as designed under international human rights law. WaterLex maintains this database using an international network of 85 law centres, and in partnership with the Food and Agriculture Organization (FAO) – Legal Department. The database is currently linked to FAOLEX and ECOLEX projects, the two leading international programmes for the referencing of water laws, policies and treaties.

The Database contains new legislation related to the HRWS and more generally to water governance, as well as case law thereon from national jurisdictions of European, Asian, African, American and Oceanian countries. The updated database allows users to compare different provisions on HRWS criteria as well as related procedural guarantees found in water acts, public health acts, constitutions, environmental acts and other legislative documents. For most countries, more than one instrument is referenced. As with many of the WaterLex projects, the Legal Database benefitted from intern and water and legal expert contributions in 2015.

**In 2015 the database was updated to reference 119 States, including 25 new States, and with legislation and case law added to the 42 States already referenced. WaterLex added 85 new legal cases in 2015.**



The WaterLex Legal Database Project (WLDP) is an initiative connecting academics and water-governance practitioners from around the world to articulate evolving law and legal doctrine to multi-level water governance practices in a dynamic online platform.

# STAKEHOLDER SUPPORT

## NHRI Water Initiative Achievements

National Human Rights Institutions (NHRIs) have initiated in 2013 the NHRI Water Initiative to share practices, challenges and support in the area of water governance, human rights and recently on SDG6 realisation. WaterLex is servicing this initiative by acting as the permanent secretariat.

Partnerships are a core feature of the NHRI Water Initiative. WaterLex has formed long-term strategic partnerships with the Danish Institute for Human Rights (DIHR); the South African Human Rights Commission; and the Hungarian Ombudsman for Future Generations. Regional networks for the programme include the Asia-Pacific Forum, Western-African Network of NHRIs, and the European Network of NHRIs.

The growth of the WaterLex NHRI Programme has been seen through the training of 30 new NHRIs across a geographical spread of countries.

### IMPACTS

WaterLex held a number of events during the year to raise awareness of human rights concerns related to water governance. This included a side event at the International Coordinating Committee for National Human Rights Institutions (ICC). Such events allow WaterLex to promote and expand the value of capacity building for NHRIs through targeted training programmes.

Key outputs for these training courses include and enhanced ability to identify and improve knowledge on:

- Key water governance challenges in country of origin
- Obligations of states and businesses in relation to water-related human rights
- Water governance monitoring practices and methodologies

### THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

WaterLex took steps to increase the role of NHRIs in the national implementation and monitoring of SDG6. Key deliverables included:

- A written statement to the high-level segment of the United Nations Economic and Social Council,



**SDG6: Ensure availability and sustainable management of water and sanitation for all**

annual ministerial review on the role of NHRIs in the post-2015 framework (E/2015/NGO/19) 1

- The European Commission invited WaterLex to participate in a special event dedicated to NHRIs and SDGs during the 2015 European Development Days (Brussels, June 2015). This event provided a unique opportunity for WaterLex to promote its work on water governance and human rights to an enlarged group of NHRIs
- Presentation to UN-Water on the role of NHRIs in the post-2015 framework before World Water Week in Stockholm.

### TRAINING MANUAL

WaterLex published in collaboration with the Danish Institute for Human Rights, a 200-page training manual for NHRIs on water governance and human rights. This training material seeks to strengthen the capacity of NHRIs for the promotion and protection of water governance-related human rights, deepening the understanding and expanding the capacity of the NHRIs it serves. By disseminating important knowledge among NHRIs, this training manual is intended to serve as a contribution towards strengthening the capacity of NHRIs wishing to enhance their role in water governance for the realisation of human rights.

# LAW AND POLICY DESIGN

## Parliamentarian Help Desk Achievements

WaterLex supported a human rights-based approach to water governance at several meetings and conferences in 2015 and shared expertise and guidance on water laws and policy for Parliamentarians. We highlight main achievements of the 2015 programme from Asia, Europe, and Latin America.

### GLOBAL - Support for adoption of IPU resolution on water governance

WaterLex supported the two co-rapporteurs of the Inter-Parliamentary Union (IPU) in the negotiation and drafting process leading to the adoption of the IPU resolution “Shaping a new system of water governance: Promoting parliamentary action on water” adopted at the 132<sup>nd</sup> IPU Assembly in Vietnam.

### ASIA – The 7th World Water Forum in South Korea, and Event in Malaysia

WaterLex presented a special cross-sector event with parliamentarians as part of the Forum’s Political Process and showcased our Parliamentarian Help Desk Initiative in collaboration with the Swiss Water Partnership and UNESCO-IHE at the 7th World Water Forum in Daegu, South Korea. Our work in Asia in 2015 wrapped up with the November event in Malaysia where WaterLex trained 18 NHRIs from across the region, jointly with the Danish Institute for Human Rights and the South African Human Rights Commission.

### EUROPE – Partnership with UNESCO - IHE

This MoU, signed 22 June 2015 in Delft, Netherlands, describes future cooperation on research and other work pertaining to water governance, with an emphasis on water law and the human right to water. The goal is to inform law makers all over the world about a human rights-based approach to water governance for the benefit of current and future generations. With a human rights-based approach focused on needs of people (considered inalienable rights), the moral imperative is translated to legally



binding rules, creating a legal entitlement to address situations that might otherwise be acted upon only through charity.

### LATIN AMERICA – The United Nations Economic Commission for Latin America and Caribbean, Chile (UN ECLAC)

In this forum, high level experts discussed formulation of water policies and laws in the post-2015 agenda in Central and South America. There is a general movement to recognise the HRWS combined with an increased awareness of the need for public participation in water management and ecosystem preservation and increased use of an integrated water resources management approach (IWRM). However, the question of how to measure concrete results of these water laws and policies remains. WaterLex was invited to present a paper on compliance with human rights in water-related legal reforms, highlighting that in order to ensure the realisation of the HRWS, water laws must be changed to provide a pathway to achievement of protection.

**WaterLex contributed to an International Parliamentarian Union resolution: “Shaping a new system of water governance: promoting parliamentarians’ action on water.”**

# CIVIL SOCIETY DIALOG

WaterLex seeks to raise awareness, empower and support coalition of the civil society through multi-stakeholder dialogue. The ultimate goal is to mobilize the civil society to take action in the water governance, and actively participate to the realization of the SDG 6. The work of WaterLex in 2015 encompassed a number of Civil Society events and trainings:



### Spain – UN Water Zaragoza Conference

“Civil society contribution to the implementation of the SDGs related to water: Financing and Economic Instruments.”

- WaterLex represented civil society in discussions related to key tools for implementation of the water-related SDGs



### Tunisia - Trainings with OHCHR to Tunisian Civil society with the Tunisian Ministry of Agriculture and the Environment, SONEDE, and GIZ.

- Training workshop for 15 civil society organisations
- Raised awareness for key organizations about the content of the right that is guaranteed in the country’s constitution



### United Kingdom - “Essential ingredients for a sustainable future”

Workshop on the need to use the legal principles of ethical behaviour and representation including access to courts.

- Outcome: the first legislation of its kind, ensuring that present needs are met without compromising the ability of future generations to meet their own.



### Japan - 23rd World Scout Jamboree

Workshops on the HRWS for scouts from all over the world

- 615 youth were trained on the HRWS, from 28 different nationalities, in 40 workshops
- Partnership with the World Organization of Scouting Movements



### Switzerland - Two trainings in the Gymnase de Burier

- 50 youth trained on the Human Right to Water
- Engaged in the ongoing WaterLex #WaterRules! photo campaign on social media



### France – Workshops at the 11th Conference of Youth (COY11) prior to the Paris Climate COP11

- Raising awareness of 100+ youth on the HRWS
- Fostering the partnership with the Scouts

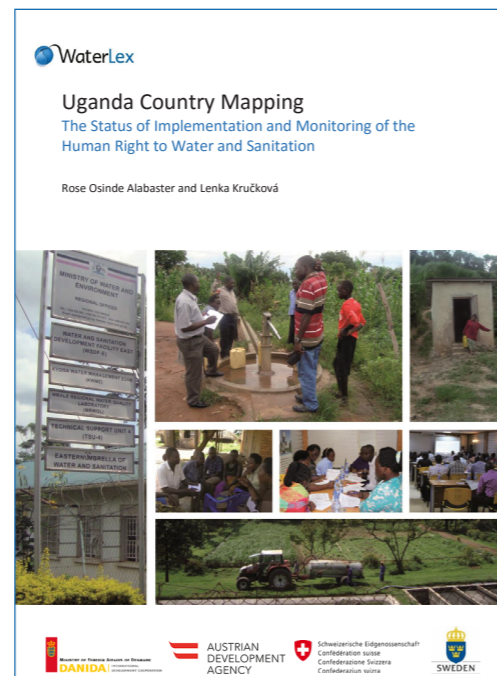
# GOVERNANCE ASSESSMENTS

The WaterLex Water, Sanitation and Hygiene (WASH) Programme aims to promote the realisation and monitoring of the human right to water and sanitation (HRWS). The human right to water and sanitation entitles everyone to sufficient, safe, accessible, culturally acceptable, and affordable water and sanitation services for personal and domestic uses.

## Uganda: Country Mapping

The WaterLex WASH Programme focused on Uganda in 2015, for a full legal and WASH country mapping, or analyses, to establish a baseline on the status of realization and monitoring of the HRWS at the structural, process and outcome levels. It entailed a legal assessment which consisted of a gaps analysis carried out on the current legal situation in relation to water and sanitation in Uganda. The study examined Uganda's compliance with its international obligations and commitments with regard to the right to water and sanitation and sought to determine how the State's existing national legal framework is aligned with each of the right's criteria and related procedural guarantees. The legal study consisted of a desk research complemented with consultations undertaken in Uganda with key governmental and non-governmental stakeholders. The outcome of the research was presented in Uganda during a final workshop in November 2015. On the basis of this study, inputs were delivered to the country's pro-poor strategy on water, to the Uganda Bureau of Statistics on data collection and indicators, to the legal framework, and to a national action plan on the realisation of the right to water. The key results of the project were:

1. Actors in of the water sector in Uganda are aware of the state of implementation of the HRWS in Uganda;
2. Concrete proposals for amendments of policies and strategies (e.g. the Pro-Poor Strategy and current sector practices) for improved implementation of the HRWS are ready to be applied by the WSLD, the relevant MWE departments, MWE's de-concentrated structures and local governments;
3. Data gathering and monitoring of sector achievements and progress brings into focus which groups in society currently require priority given their current vulnerability and marginalisation; and
4. Increased awareness among key decision makers



in the sector on legal measures needed to further align Ugandan laws pertaining to HRWS has been promoted and related policy debate triggered, to further align Ugandan laws pertaining to HRWS with human rights commitments.

The project-implementation process was organized into two distinct but interlinked phases:

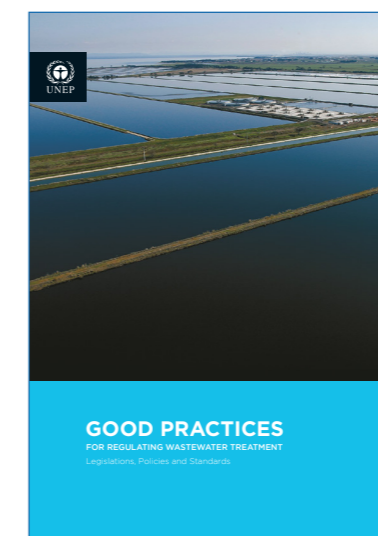
1. The first phase (Country Mapping) involved four months of research, mapping and review of the Pro-Poor Strategy and the sector-performance monitoring system. This first phase generated the baseline information.
2. The second phase included seven months devoted to collecting evidence from sampled districts on the actual implementation and monitoring of HRWS. This led to recommendations for adjustments to the Pro-Poor Strategy; the initiation of practical operational measures; and proposed recommendations for adjustments to data gathering, information management and performance monitoring.

# DECISION-AID MATERIAL

## New initiatives for sustainable water use

### Wastewater management

"UNEP Good practices in wastewater regulation and implementation." WaterLex entered into a partnership with UNEP with a view to researching and publishing an e-book on best practices in wastewater legislation and implementation. The e-book and facts sheets featured six case studies from a cross section of geographical regions, levels of economic development and climatic zones. The Global Programme of Action for the Protection of the Marine Environment from Land Based Activities, part of The United Nations Environment Programme (UNEP), has collaborated with WaterLex on an in-depth study resulting in a 120-page e-book which details effective efforts in wastewater regulation around the world. To better illustrate positive measures around the world, the e-book includes case studies and fact sheets detailing good practices employed in Argentina, Australia, Finland, Jordan, Singapore and South Africa.



This publication had four objectives:

1. Provide an overview of wastewater legislation adopted by a range of developed and developing countries;
2. Bring lessons in wastewater treatment, disposal and reuse accessible to those who may be considering reform of their own wastewater management practices;
3. Promote the adoption of appropriate

standards on the operation and maintenance of wastewater facilities.

4. Contribute to the exchange of wastewater legislation knowledge and best practices among experts and professionals within the field.

### WaterLex Business and Human Rights programme

In 2015 WaterLex has started new initiatives to scale-up its impact toward the private sector, creating an enabling environment for positive actions in water governance and business compliance with human rights norms.

### Integration of Human Right criteria in business standards – hotel industry pilot

WaterLex aims at supporting private-sector companies which consume large amounts of water with standards that secure sustainable water management and human-rights compliance. The hotel sector has been chosen as a pilot sector to integrate the human right criteria in sectorial standards. An independent tool was developed on a range of environmental certification standards for the hotel industry. After consultation with UNEP, it was considered more fruitful to integrate human rights standards into the existing standards of the World Sustainable Tourism Council. It was agreed with the Ecole Hoteliere de Lausanne that once developed the tool will be piloted in a number of hotel chains.

**Based on UN guiding principles for business and human rights, businesses have the responsibility to respect human rights. WaterLex engages with partners to develop tools enabling businesses to play their part in addressing water challenges.**

### Training manual for water operators

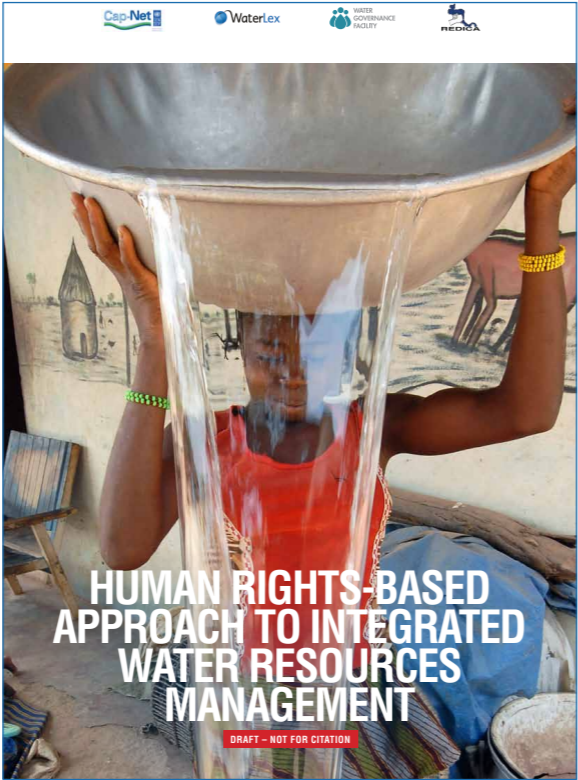
Simultaneously, WaterLex reviewed the contents of a training manual developed by the International Water Association (IWA) enabling Water Operators to integrate the human right to water and sanitation into their daily work practices. WaterLex and the IWA will partner to train these standards to interested Water Operators during 2016.

# CAPACITY BUILDING

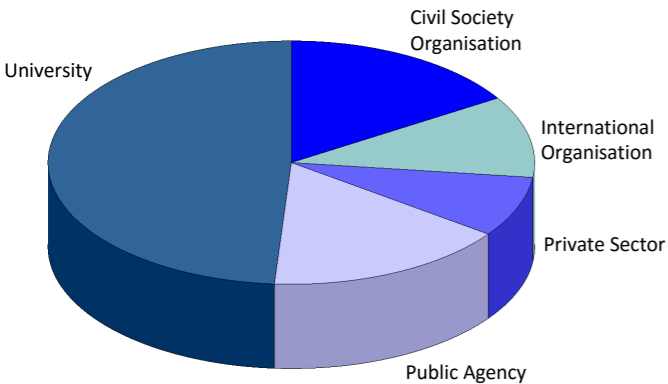
Integrated water resources management (IWRM) has been defined by the Global Water Partnership (GWP) as “a process which promotes the coordinated development and management of water, land and related resources, in order to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems”.

Creating tools and training materials is fundamental to the work of WaterLex and the knowledge sharing aspect of the WaterLex mission. WaterLex helped to develop a Manual and Online Course on a Human Rights-Based Approach to IWRM with UNDP Cap-net. WaterLex worked with the Stockholm International Water Institute and REDICA to draft the manual and in cooperation with LA-Wetnet in Argentina, the manual was then adapted as an online course.

Between September and November, 35 participants from ten regions of the world, took part in the online course hosted by UNDP Cap-Net. These participants were from civil society, UN programmes, international organizations, private sectors, Ministries of Water and Utilities, and universities.



**Participants in the Online Course**  
The high number of participants across regions clearly shows that online courses are perfectly viable in most countries and connectivity is not a limitation, at least in cities and urban areas. Participants represented ten regions. The majority came from 11 African countries. Participants from four countries in South Asia formed the second group, followed by those from South East Asia. Other participants came from Latin America, Europe, the Middle East and the Caribbean, showing the impressive outreach achieved and the high level of interest for this course and specific subject area.



Land and water are ecologically linked in a natural system alternately called a catchment, watershed or river basin.

**Monitoring and Reporting Initiative in Africa**  
In collaboration with the Government of the Republic of Kenya and Intergovernmental Authority on Development, and Regional Economic Communities, the African Minister’s Council on Water (AMCOW) created a monitoring and evaluation Task Force to ensure success of the implementation of the Monitoring and Reporting Initiative in Africa, reporting on the state of the continent’s water resources and sanitation. WaterLex joined the AMCOW for their monitoring and evaluation.

WaterLex’s work with UN Development Programme’s Capacity Development in Sustainable Water Management (UNDP Cap-Net) on a training manual for a human-rights based approach to IWRM led to the first-ever “training of trainers” event and learning materials on the subject.

# MOVING FORWARD



We look forward to a bright year in 2016. With new and ongoing long-term partnerships, WaterLex is poised to advance its mission to improve water governance and to begin the challenge of securing all water-related SDGs. SDG realisation will depend on the capacity of water governance stakeholders to develop new innovative partnership while bridging ideological boundaries.

After five years of operation WaterLex has established itself as a leader in inclusive design in legal and water governance services. It is the catalytic link between governmental agencies, human rights mechanisms, parliamentarians, development agencies, corporate and civil society actors. The credibility of the organization is enshrined not only in its unique legal and project management skills, but foremost in its attention and capacity to integrate the specific constraints that each water governance stakeholder is facing to bring about systemic change. It will continue to emphasise its added value for the pursuit of this goal and improved water governance into the future.

Internal systems, processes and procedures improved in the latter half of 2015 will help the WaterLex team to work more efficiently and effectively as they pursue an ambitious work plan for 2016. WaterLex will continue to be present at high-level meetings and conferences; provide advice to parliamentarians and policy makers; organize training to NHRIs under the growing NHRI Water Initiative; and will pursue IWRM and WASH programme goals. Importantly, WaterLex is initiating new strategic partnerships with the International Water Association (IWA) and the International Labour Organisation (ILO) which acts as of this year as the new chair of UN Water to support the legal and policy environment conducive to the most pressing needed water jobs creation.

WaterLex is encouraged that the first national SDG 6 Implementation Plans will emerge this year in identified UN pilot countries. We are excited about our successes of 2015 and the prospect of supporting more countries and partners in 2016 in our goal to gradually scale up and achieve together water access for all.

**Amanda Loeffen**  
General Manager, WaterLex

## Through the eyes of the Swiss Agency for Development and Cooperation



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

**Swiss Agency for Development  
and Cooperation SDC**

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*“The recognition in 2010 by the UN General Assembly that water and sanitation are human rights (HRWS) was a historical step forward. Translating this human right into a human reality still requires confronting the challenges of quality, affordability, accessibility, equality, sustainability, and reliability of drinking water supplies for all with a particular attention to the needs of the more marginalized and the most disadvantaged.*

*With the adoption in September 2015 of the dedicated water goal and all SDGs in general, a huge step has been made towards the implementation of the access to water and sanitation as human rights, as well as towards the promotion of water use efficiency, build resilience towards water related natural disasters, and foster better waste water and waste water governance, including transboundary situations where competition over water resources can be particularly destabilizing.*

*In the field of HRWS, the NGO WaterLex provides support to all concerned stakeholders in the implementation of and compliance with the HRWS. SDC supports WaterLex since 2011, which is both an innovative legal incubator and a field-facilitator. SDC is looking forward to WaterLex contribution to **the acceleration of the implementation of the HRWS** one of the key objective we share for this year”*

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**Johan Gély**  
Swiss Agency for Development and Cooperation  
Head of Global Programme Water Initiatives

# LETTER FROM THE AUDIT FIRM



## Report of the independent auditor on the financial statements to the Non-executive Board of Directors of WaterLex, Geneva

As independent auditor, we have audited the financial statements of WaterLex, which comprise the balance sheet, the profit and loss statement, the cash flow statement, the statement of changes in equity and the notes for the year ended December 31, 2015.

### Non-executive Board of Directors's Responsibility

The Non-executive Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Swiss GAAP RPC. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error. The Non-executive Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control system.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements for the year ended December 31, 2015 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the Swiss GAAP RPC.

### Emphasis of Matter

We draw attention to the note "Going concern" to the financial statements which describes the uncertainty about the ability of the association to continue on a going concern basis. Our opinion is not qualified in respect of this matter.

### MAZARS SA

Franck Paucod  
Certified Public Accountant  
(Auditor in Charge)

Geneva, February 17, 2016

### Enclosures:

- Financial statements (balance sheet, profit and loss statement, cash flow statement, statement of changes in equity and notes)

Sylvain Guillon  
Certified Public Accountant

# FINANCIAL STATEMENTS

## Balance sheet (in CHF)

Revenues	2015	2014
<b>Assets</b>		
Petty cash	2'022	241
Bank UBS	93'310	443'387
Bank UBS - Staff Security Fund	20'384	-
<b>Total Cash &amp; equivalent</b>	<b>115'708</b>	<b>443'628</b>
Prepaid expenses	-	1'754
WaterLex receivables	10'104	80'426
<b>Total Transitional assets</b>	<b>10'104</b>	<b>82'180</b>
<b>Total Current assets</b>	<b>125'812</b>	<b>525'808</b>
Guarantee deposits	3'918	3'918
<b>Total Financial assets</b>	<b>3'918</b>	<b>3'918</b>
<b>Fixed assets - property, plant &amp; equipment</b>	<b>16'926</b>	<b>21'157</b>
<b>Assets</b>	<b>146'655</b>	<b>550'883</b>

Liabilities	2015	2014
<b>Liabilities &amp; Shareholders' Equity</b>		
Short-term debts - Social charges due	39'007	72'395
Accruals payable	85'247	45'241
Accruals liabilities	60'684	-
<b>Total Liabilities</b>	<b>184'938</b>	<b>117'636</b>
Austrian Development Agency (ADC)	-	46'100
Danish Development Cooperation (DANIDA)	-	18'457
Netherlands Ministry of Foreign Affairs - Human Rights Fund (DGIS - NL)	-	62'159
United Nations Environment Programme (UNEP)	-	16'660
<b>Total Allocated funds</b>	<b>-</b>	<b>143'376</b>
Staff security fund	90'000	90'000
Free Generated Capital (retained result)	-128'282	199'870
<b>Total Equity</b>	<b>-38'282</b>	<b>289'870</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>146'655</b>	<b>550'883</b>

## Statement of income and expenses (in CHF)

Revenues	2015	2014
<b>Public Funding</b>		
Swiss Development Cooperation (SDC)	240'000	420'000
Austrian Development Cooperation (ADC)	46'100	53'997
Swedish International Development Agency (SIDA)	565'600	520'000
Danish Development Cooperation (DANIDA)	39'797	36'280
Netherland Ministry of Foreign Affairs - Human Rights fund (DGIS - NL)	120'479	77'230
Federal Republic of Germany - Human Rights Fund	-	35'967
<b>Total Public funding - Overseas Development Agencies (ODA)</b>	<b>1'011'975</b>	<b>1'143'474</b>
Canton de Genève (SSI)	-	55'000
Ville de Genève - Délégation Genève Ville Solidaire (DGVS)	-	5'0000
Loterie Romande	-	32'000
Other Public Funding	300	6'705
<b>Total Other Public Funding</b>	<b>300</b>	<b>143'705</b>
<b>Total Public funding</b>	<b>1'012'275</b>	<b>1'287'179</b>
<b>United Nations Agencies &amp; Programmes</b>		
United Nations Environement Programme (UNEP)	86'535	19'600
United Nations Development Programme (UNDP)	-	14'020
<b>Total United Nations Agencies &amp; Programmes</b>	<b>86'535</b>	<b>33'620</b>
<b>Other revenues</b>		
WaterLex membership fees	700	821
Inkind contributions	477'389	186'045
Donations by individuals	3'400	1'683
Other Donations	7'345	-
Mandates	4'880	3'114
Other incomes	1'804	-
<b>Total Other revenues</b>	<b>495'518</b>	<b>225'283</b>
<b>Total Revenues</b>	<b>1'594'328</b>	<b>1'512'462</b>

## Statement of income and expenses (in CHF)

Operating Expenses	2015	2014
<b>Pillar I - Legal Desk</b>		
Staff costs	319'280	153'512
Social charges	40'280	21'189
Consultants	377'665	192'972
Operating costs	-	62
Travel and accomodation	15'102	41'717
Communication material/events	14'708	22'469
<b>Total operating expenses - legal desk</b>	<b>767'035</b>	<b>431'921</b>
<b>Pillar II - Operations Desk</b>		
Staff costs	370'133	215'400
Social charges	52'455	28'235
Consultants	133'717	91'398
Operating costs	1'927	41'900
Travel and accomodation	60'426	12'763
Communication material/events	10'589	14'046
Other expenses	-	6'915
<b>Total operating expenses - operations desk</b>	<b>629'249</b>	<b>410'657</b>
<b>Administrative costs / Overhead costs</b>		
Staff costs	102'999	71'611
Social charges	16'770	11'041
Consultants	258'029	103'524
Office, rent and maintenance	64'602	23'850
Running costs	61'175	9'083
IT hardware and software	1'334	4'006
Travel and accomodation	23'269	29'204
Other expenses	-7'992	2'600
<b>Total administrative costs</b>	<b>520'118</b>	<b>254'919</b>
<b>Total expenditures</b>	<b>1'916'471</b>	<b>1'097'497</b>
<b>Intermediary result</b>	<b>-322'143</b>	<b>414'965</b>

## Statement of income and expenses (in CHF)

### Financial results

Bank interests	(12)	13
Exchange rates	-5'997	-25
Comission on avance Income tax	-	306
<b>Total financial results</b>	<b>-6'009</b>	<b>294</b>
<b>Annual result before allocation</b>	<b>-328'152</b>	<b>415'259</b>

Attribution to allocated funds	-	-143'376
<b>Annual result before allocation to organisation capital</b>	<b>-328'152</b>	<b>271'883</b>

### Allocation

Staff Security Fund	-	90'000
Free Generated Capital	-328'152	181'883
<b>Total of allocation</b>	<b>-328'152</b>	<b>271'883</b>

<b>Final annual result after allocation</b>	<b>0</b>	<b>0</b>
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## Statement of change in equity (in CHF)

	Initial	Attribution	Transfer	Final
<b>2015</b>				
Generated capital (retain earning)	199'870		-328'152	-128'282
Staff security fund	90'000			90'000
Net result for the period		-328'152	328'152	-
<b>Total</b>	<b>289'870</b>	<b>-328'152</b>	<b>0</b>	<b>-38'282</b>

<b>2014</b>				
Generated capital (retain earnings)	17'987		181'883	199'870
Staff security fund			90'000	90'000
Net result for the period		271'883	-271'883	-
<b>Total</b>	<b>17'987</b>	<b>271'883</b>	<b>0</b>	<b>289'870</b>

## Cash Flow statement (in CHF)

	2015	2014
<b>Operating Income (before Non-Profit Allocation)</b>	<b>-328'152</b>	<b>415'259</b>
Depreciations	4'231	-
(Increase) / decrease in receivables	70'322	-80'426
(Increase) / decrease in prepaid expenses	1'754	1'160
Increase / (decrease) in Creditors	-	-
Increase / (decrease) in social charges due	-33'388	69'292
Increase / (decrease) in accruals payable	100'689	-6'623
Increase/(decrease) allocated funds	-143'376	-
<b>Funds from operations</b>	<b>-327'920</b>	<b>398'662</b>
(Increase)/decrease in guarantee deposits	-	2'097
Acquisition of hardware	-	-21'157
<b>Investing activities</b>	<b>-</b>	<b>-19'060</b>
<b>Financing activities</b>	<b>-</b>	<b>-</b>
<b>Increase / decrease in cash</b>	<b>-327'920</b>	<b>379'602</b>

### Table of Cash Flows

Cash and cash equivalents at 1 January	443'628	64'026
Cash and cash equivalents at 31 December	115'708	443'628
<b>Increase / decrease in cash</b>	<b>-327'920</b>	<b>379'602</b>

# FINANCIAL COMMENTS

## Principles on the presentation of the accounts

Presentation and evaluation of financial statements correspond to the guidelines published by the Commission for Recommendations for the Presentation of Accounts (Swiss GAAP FER). For these accounts the Swiss GAAP RPC 21 norms have been applied.

The financial statements are based on values relating to the management of the company. They give a true picture of the assets, financial position and results according to the principle of true and fair view.

## Structure of WaterLex

WaterLex has no subsidiary or is not a subsidiary of an other institution. There are therefore no consolidation requirements. As a Swiss independent public interest and non-profit association, the organization is required to comply with its Charter which has been approved by the Canton of Geneva.

## Principles of balance sheet presentation and evaluation

Unless otherwise stated, balance sheet positions listed are valued at historical costs at the balance sheet date. Donations are recognized according to contractual obligations with institutional donors. For individual donations, funds are recognized upon receipt of payment. Revenues coming from mandates are recognized upon services rendered.

## Additional Remarks

### Additional commitments

WaterLex certifies that there are no further commitments to other moral or private persons.

### Allowances paid to Board members

All Board members act on voluntary basis. Total travel expenses paid to Board members in 2015 amount to CHF 469.70

### WaterLex management Team and Staff

The WaterLex management team is composed of four directors:

- Executive Director
- General Manager
- Operations Desk Director
- Legal Desk Director

In 2015 WaterLex remunerated the management team of directors for a total of CHF 382'006.27

In December 2015 WaterLex employed 10.8 full time staff.

### Events occurring after the balance sheet closure

No major event that may affect the financial statements has occurred after the balance sheet date.

WaterLex has no subsidiary or is no subsidiary of another institution. There are therefore no consolidation requirements. As a Swiss independent public interest and non-profit association, the organization is required to comply with its Charter which has been approved by the Canton of Geneva.

### Fixed Goals and deliverables

Are mentioned in the annual activity report which shall include financial statements.

## Comments on Balance Sheet

### Current Assets

This heading includes petty cash, and the bank accounts. The level of liquidity is necessary to cover the cash flow necessary to secure payments before the settlement of funds with Grant donors. Some revenue grants are allocated at the time of receipt of the final audit.

### Accrued liabilities

The organization recognizes accruals when services have been rendered of products delivered. (in CHF)

Description	31.12.2015	31.12.2014
Accrual for professional	-	26'214
Staff related accruals	-	13'177
Communication material	-	1'717
Others	-	4'133
Africa Institute for Energy	1'100	-
13 <sup>th</sup> salaries	2'084	-
Audit fees 2015	20'000	-
Payroll and Accounting fees	37'500	-
<b>Total</b>	<b>60'684</b>	<b>45'241</b>

### Allocated Funds

in CHF

WaterLex has a total of zero allocated funds as at 31.12.2015

### Reserves

In 2015, WaterLex has decided to keep a Staff security fund reserve of CHF 90'000.-

### Going concern

As of December 31<sup>st</sup> 2015, the association has a negative equity of CHF 38'282 as well as an insufficient treasury in order to cover its short term engagements on December 31<sup>st</sup> 2015.

In order to rectify this situation, the association already adjusted its budget for the year 2016 in order to ensure that 2016 confirmed revenues will cover both the actual insufficiency and the 2016 budgeted costs. If the association was not to rectify the situation during 2016, its ability to continue on a going concern basis could be reconsidered.

**In-Kind Contributions**

WaterLex receives support from a number of volunteers either based in partner Academic Institutions or as fellows in the International Secretariat in Geneva. A detailed contract is signed with each volunteer which specifies the original hourly/daily commitment. The commitments are then matched with the review of the performance by the Supervisor.

Finally, the volunteers are requested to certify in written format the number of hours that are spend with WaterLex. The daily rate for Junior (300 CHF) and senior consultants (1'000 CHF) is applied to calculate the value of the volunteer's work.

In-kind contributions are recognized as revenues and expenses in the statement of income and expenses.

**Overhead costs - costs repartition per Desks**

The Overhead costs of WaterLex in 2015 amount to a 26% of the Organization total expenditures.

	2015	2014
Overhead Costs	50'188	276'076
Pillar I – Legal Desk	767'035	431'921
Pillar II – Operations Desk	629'249	410'656
<b>TOTAL</b>	<b>1'916'471</b>	<b>1'118'653</b>

**Acknowledgements**

“WaterLex Succeeds with its Donors, Partners, Members, and Volunteers”

**Donors**

WaterLex wishes to thank all of the organizations and individuals which provided financial support to secure our 2015 activities, including:

- Austrian Development Cooperation (ADC)
- Danish Development Cooperation (DANIDA)
- Danish Institute for Human Rights (DIHR)
- Ministry of Foreign Affairs of The Netherlands (DGIS)
- Swedish International Development Cooperation Agency (SIDA)
- Swiss Agency for Development and Cooperation (SDC)
- United Nations Environment Programme (UNEP)

**Partners for programme implementation**

WaterLex works with many partners at local, national and international levels to implement holistic programmes for its work, and supporting partner and donors are listed on our website.

**WaterLex Board of Directors**

WaterLex would like to thank our Board of Directors for support to the organization in 2015:

Eibe Riedel – President  
Yves Etienne – Vice-President  
Catherine Brölmann – Hon. Secretary  
Aileen Ionescu-Somers – Treasurer  
Giorgio Malinverni

**Members who left the Board of Directors in 2015**

Abby Onencan - Treasurer  
Michel Veuthey

**WaterLex International Secretariat**

Rose Alabaster, Moez Allaoui, Brahim Amadane, Jean-Benoit Charrin, Lenka Kruckova, Amanda Loeffen, Camila Morais Silva, Brieux Michoud, Viktoria Mohos Naray, Cherryl Andre de la Porte, Tobias Schmitz, David Snow, Lynn Sorrentino, Christine Strub, Elodie Tranchez, Jan van de Venis and Jean Willemin

**Interns and Volunteers**

Ariel Litke, Jake Loeffen-Ames, Nicolas Lorne, Velislava Lucheva, Lea Kusanic, Lorraine Schilling, Hannah Stoate, Florian Thevenon, Sumon Vangchuay, Sharon Wallis, Inge de Weerd

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