



# 5th General Assembly

## Marseille, France, 14-16 October 2009

**ASSOCIATION WORLD WATER COUNCIL**  
Headquarters: Espace Gaymard  
2-4 Place d'Arvieux  
13002 Marseille, France

## MANAGEMENT REPORT

On operations for the financial year closing 31 December 2007  
(Unofficial translation)

Ladies and Gentlemen,

We are honoured to present to you, in accordance with the legal and statutory regulations, our report on the Council's financial operations for the period ending 31 December 2007, as well as all the accounts and the balance sheet of the aforementioned financial year, which is submitted for your approval. For your information, all legally necessary documents are included herewith, including:

- the profit and loss statement
- the balance sheet.

### 1. KEY FIGURES FOR THE ASSOCIATION DURING THE FINANCIAL YEAR

To evaluate the activity of our association, during the past financial year, we firstly underline that operating profits show a benefit of 121, 755 euros in 2007 against 70, 429 euros in 2006, that is to say a progression of 72 % compared to 2006.

Our profit and loss statement presents the following characteristics:

- Total revenues amount to 1,640,734 euros in 2007, as compared to 2,011,712 euros in 2006, with a decrease of 18, 44 %.
- We particularly note a progression of profits related to membership for an amount of 162, 672 euros in 2007 compared to 153, 585 euros in 2006, showing an increase of 5,92%. We note a decrease in grants this year: 1, 415,517 euros in 2007 compared to 1, 605,814 euros in 2006.
- Total expenditures amount to 1,518,979 euros in 2007, as compared to 1,941, 342 Euros for the previous financial year, representing a noticeable decrease of 21, 76%, justified by the very strong decrease in the association's overhead costs.
- Expenses related to the staff, including the value of donated services, amount to 663, 266 euros compared to 930,134 euros in 2006, that is to say a decrease of 28,7% as compared to the previous financial year, justified by the departure of an expert who had been seconded by the French ministry of equipment.
- Depreciation provision and charge to provisions amount to 36, 553 euros in 2007 compared to 28 849 euros in 2006, that is to say a progression of 26, 71%.
- The total operating costs before loss and profit amount to 88, 473 euros compared to 40, 668 euros in 2006, that is to say an increase of 117, 55%.
- We also note a very strong increase in the net financial profits of 14, 257 euros in 2007 compared to 1,555 euros in 2006: the explanation being a significant increase in the financial income generated by stock market securities to which the Association subscribed during the financial year which have more than doubled.

The Association's financial self sufficiency amounts to 158, 308 euros in 2007 compared to 99, 278 euros in 2006.

The very clear improvement in the Association's short-term solvency can also be noted (Attainable and available values – short-term debts):

Previous fiscal year: 547, 696 - 303, 348 = 244, 348  
 Current fiscal year: 1, 387, 333 - 1, 016 .444 = 370, 889

This represents an increase of 126, 541 euros, a sign that the Association's net worth is building.

FINANCIAL STATEMENTS	2006	2007
Operating profits (1)	39 113	74 215
Financial profits (2)	1 555	14 257
Profits before taxes and extraordinary items (1+2)	40 668	88 473
Extraordinary profits (3)	29 762	33 282
Net income (1+2+3)	70 429	121 755

## 2. PRESENTATION OF THE ACCOUNTS

The profit and loss statement and the balance sheet will be presented in greater detail and submitted for your approval.

## 3. PRESENTATION OF THE COUNCIL'S ACTIVITY DURING THE FINANCIAL YEAR

### 3.1 Mobilizing and diversifying the stakeholders

Involving members to a greater extent in the Council's activities was foreseen as one of the main membership priorities. Several activities have been undertaken since the 29<sup>th</sup> Board meeting in this respect and are briefly presented below.

#### 3.1.1 Members meeting

During the 4<sup>th</sup> General Assembly, it was decided to organize annual members meetings and members' encounters during other water events in between each General Assembly. This kind of meeting, which increases a member's sense of ownership and involvement and strengthens the network, has two other important objectives: update members on the on-going activities and solicit their involvement. A members' meeting was organized in Stockholm during the World Water Week, on 14 August 2007. 25% of the members were present to exchange ideas and expectations with the Council's Bureau, Governors, other members and staff. Several ideas, mainly centered on fostering interaction between members and the Headquarters, in particular as regards the preparation of the Forum, were presented and discussed<sup>2</sup>.

#### 3.1.2 Members involvement in the Forum

All WWC active members have been systematically invited to participate, along with major water stakeholders, in the Forum consultative meetings: the Kick off meeting (March 2007, Istanbul) and the 1<sup>st</sup> Thematic and Regional Coordination meeting (November 2007, Istanbul). Members were also solicited to contribute to the process which started in December 2007 aiming to identify the 100 most challenging questions for the Forum.

To foster members' participation in the Forum and offer them exclusive membership advantages, the Headquarter has negotiated a significant discount on Forum fees for members: Council members will benefit from a 20% discount on applicable Forum registration fees for up to 5 staff members.

#### 3.1.3 Membership Communication

Internal communication with members, using the proper tools, is the key in strengthening the network and in fostering members' involvement. As announced in a previous management report, the

Headquarters is working on an IT platform which will enable an increase in exchanges and communication between the HQ and members, but also among members themselves in a professional and efficient way. The Terms of Reference of the platform have been finalized with the help of IBM, and the platform will be implemented in the 1st semester of 2008. In addition, the Headquarters will produce informational updates for members whenever desirable. The updates will be complementary to the WWC newsletter by providing an insider's look at the Council's activities and progress on such topics as the World Water Forum, internal management related to the General Assembly, significant decisions made by the Board or the Council's financial situation.

#### 3.1.4 Membership situation

The Membership allocation from 2005 to 2007 was as follows:

	2005*	2006	2007
New applicants	43	35	24
Active applicants	222	205	208
Non active applicants	49	42	39
Resignation	16	8	5
Net income for membership fees	179 957 euros	153 585 euros	162 672 euros
Advance income received for following years	28 000 euros	44 200 euros	37 281 euros
Membership fees received for previous years	1184 euros	16 716 euros	11 380 euros

*New Applicants: Organizations whose membership application has been validated by the Board during the year.*

*Active Members: Members who have paid or are exempt from membership fees for the current and past year.*

*Non-active Members: Members who have not yet paid their fees for the current year but who have paid for previous years. They are no longer entitled to members' rights and advantages but are kept in the list of members.*

*Resignations: Members who have informed the HQ of their desire to cease their membership.*

*Comment:*

*\*: 2005 was the referential year for payment in order to be entitled to vote during the 4th General Assembly.*

## 3.2 **Becoming the voice of the water community**

In 2007, the Communications activities were mainly oriented towards improving and clarifying the image of the World Water Council. A large amount of time was also devoted to Forum-related activities; accounting for up to 50% of the Communications staff's working time.

### 3.2.1 Web tools

Updated every day and improved throughout the year, the World Water Council's four websites (WWC, Water Monitoring Alliance, Financing Water for All and World Water Forum) are becoming a reference for water information. For example, between December 2007 and January 2008, the WWC website alone received nearly 9,600 different visitors with 30,500 pages viewed. The number of visitors to these websites is increasing regularly. Developing these websites required the following activities:

- *New web service provider:* To reduce costs while improving service, a new maintenance and development company named Elypsia was selected to replace the former supplier and provide specific training to the staff in order to become more independent in the creation and development of web tools.
- *Update of the system:* The whole system was updated when changing to the new company. The latest version of our Content Management System was installed as well as an update of the server. The contracts with Elypsia and SIVIT (host of the server) now include a regular update of all software.

- *New statistical analysis system:* Since December 2007, we have been utilising Google analytics, a free graphing tool that is far more comprehensive than the previous statistics system in place. The precise geographic location of our website visitors can be determined through this tool as well as how they interact with our sites (how many new visitors, from which country, via which referring website or keywords, what type of information they look for, how long they consult a page, etc.)
- *New website in progress:* A new website “Strengthening Local Authorities” is currently being developed within the HQ and should be online soon.
- *New pages on Water & Education:* With the collaboration of IUCN, SIWI and ProjectWet, a new section on “Water & Education” was also developed on the WWC website.
- *Language diversification:* Increasing the number of languages of our communication is also a constant preoccupation. Each web site has at least two languages. The Council main web site has three, including Russian, thanks to sustained efforts the Scientific Information Centre in Uzbekistan.

### 3.2.2 Newsletter, printed and promotional materials

In terms of frequency, content and layout, the quality of the newsletter was progressively improved. We are now up to speed and have reached our goal of publishing a regular monthly newsletter, the content of which was slightly modified for better balance between WWC news, news from members and partners, and topical news. The layout was also adapted to contain more concise articles, rendering it more attractive and easy to read. A more reader-friendly, HTML version of the newsletter is in development and should be completed in the coming months. The Newsletter is currently distributed to approximately 20,000 contacts. In addition to the WWC brochure, several flyers and brochures have been produced for distribution at major water events:

- A Press file “*World Water Council - World Water Forum*” as well as general information sheets “*Facts & Figures on Water*” and “*Climate Change: Water at the Forefront*” developed mainly for the Press and the public at large;
- Four leaflets describing the main WWC programmes (Strengthening Local Authorities, Water Monitoring Alliance, Right to Water & Financing Water for All) for the attention of the Water Community,
- A brochure entitled “*Become a member*” aiming to increase interest for membership;
- A CD Rom with all information on the WWC, including the 4 latest reports published for Mexico.

A Press kit and the flyers on the Strengthening Local Authorities and Monitoring programmes have been translated into French for distribution in African French-speaking countries. The WWC brochure and the “Become a member” brochure are also being translated. In addition, some “environmentally friendly” pens and notepads with the WWC logo are being produced for distribution at important events. In line with the values promoted by the Council, all documents and business cards at the WWC are now printed on recycled paper.

### 3.2.3 5<sup>th</sup> Forum Communication

The WWC HQ has participated actively in Communications activities for the 5<sup>th</sup> World Water Forum, and, among other activities, contributed to:

- Developing a “Song Sheet,” document responding to frequently asked questions about the Forum;
- The 1<sup>st</sup> announcement;
- Preparing a summary of the 1<sup>st</sup> announcement in English, French, Turkish, Spanish, Arabic and Russian;
- Creating a stand for the Asia-Pacific Water Forum to be exhibited in Asian water events in 2008-2009;
- Organising side events at the UCLG congress and Asia-Pacific Water Summit;
- Promoting the “I am Water” public service announcement (PSA) screened on CNN;
- Preparing a Communication Strategy for the 5<sup>th</sup> Forum;
- Regularly updating the website and developing new pages.

## 3.3 Acting for water and the Millennium objectives

In line with 4th GA priorities and work plan adopted by Board of Governors, the efforts on thematic issues and projects have concentrated on the implementation of existing commitments and development of new engagements to help resolve selected key water issues that require multi-stakeholder participation for their resolution. To enable and better facilitate these processes, the

development of collaborative platforms is initiated with new technologies of information and communication.

### 3.3.1 Items and main projects

During 2007 three contracts have been completed and paid:

- *Strengthening Local Authorities*: financed by the French Ministry of Ecology and Sustainable Development (MEDAD) for an annual amount of 60 000€. This one year contract is part of a multi-year agreement in principle. The main achievements are the inventory of ongoing initiatives in this domain, the preparation of guidelines and the partial implementation of pilot dialogues on the role of local authorities in water management, the preparation of a website, the preparation of a survey on the role of local governments in water management in a decentralization process context.
- *Water Monitoring Alliance*: financed by the French Ministry of Ecology and Sustainable Development (MEDAD) for an annual amount of 60 000€. This one year contract is part of a multi-year agreement in principle. The main achievements are the initiation of partnerships for the Alliance, the development of the information system and underlying database, the publication of profiles for the Mediterranean and African Region, the increase of country profiles, and validated ongoing water monitoring activities available online.
- *Scoping the Africa Programme*: financed by the French Ministry of Foreign Affairs for an amount of 50 000€ (35,000€ used in 2008). A contribution from MoFA to develop a proposal for the Africa Programme.

New engagements developed in the second half of 2007 are:

- *Africa Programme*: The French Ministry of Foreign Affairs allocated 350 000€ to the Council in November 2007 (for the year 2008) to implement a programme involving the African members, addresses the questions how water could be used as a tool in development looking at making water availability and use for different sectors, the need for infrastructure and how access to water can contribute to the prevention of crisis with a focus on change (population dynamics, economic development, climate) and its impact on water.
- *Adaptation to Global and Climate Changes*: The Dutch Ministry of Public Works, Water Management and Transport allocated 400 000€ to the Council in December 2007 (for the year 2008) as a part of a larger programme aiming at providing substance to the topic "adaptation to climate change" of the Forum.

### 3.3.2 Other Thematic initiatives within the framework of the Forum

The 1st thematic initiative is related to the "High Level Expert Panel on Water and Disasters" for which a financial engagement has been taken, and for which The WWC President is member of the Panel and the WWC holds the secretariat.

The following table shows an overview of 2007 activities and partnerships.

<b>Right to Water</b>	GA Priority	Create better understanding on how to implement RTW Get clarity on the meaning of the Right to Sanitation.	New initiative under preparation with IUCN.	ALMAE, ISW, Greencross, SDC IUCN
<b>Finance water for All</b>	GA Priority	Create insight on innovative financing mechanisms to enhance access to finance	Programme under preparation on ODA Task Force established within ICID on agriculture	OECD, ICID
<b>Monitoring Alliance</b>	Ongoing	Create linkages and partnerships between existing monitoring programmes especially WWAP	Next stage proposal under preparation	WWAP, EMWIS, AfDB, MEDAD
<b>Strengthening Local Authorities</b>	GA Priority Ongoing	Facilitate strengthening process of local governments to plan, govern and manage better water resources and services	Overall programme proposal prepared for follow-up.	UCLG-A, IGD, AMGVF, SUEZ, WBI, UNESCO-IHE, MEDAD, SDC, Govt of Spain

<b>Africa Programme</b>	New Initiative	Prepare water vision 2050 focusing on global changes and their impact on water	Programme approved, finance secured MAE.	To be developed. African members, AfDB, AMCOW, ECOWAS
<b>Extreme Water Events – Risks - Global Warming</b>	GA Priority	Get better understanding of impact of global warming, the roles of actors and required measures to enhance water security.	Transfer of Know-how	CPWC, IWA, IUCN, UNESCO Relationship with WWC to be clarified

### 3.4 Organizing the 5<sup>th</sup> Forum

In the past, the Board has expressed the wish for the Council to be more involved in preparing a significant portion of the Forum's content. For the 5<sup>th</sup> Forum, this has been accomplished through the establishment of three committees to structure and address thematic, political and communications aspects of the Forum. Indeed, to date, no less than 16 Governors are actively involved in the various Forum Committees, and even more are associated with its thematic and regional development. While 2007 has been dedicated primarily to establishing a clear basis for organising this work, 2008 will delve into the heart of the key issues to be addressed at the Forum in order to provide elements of response to the international community. The Council will need to consider in the coming months the identification of key themes and topics to which the Council will contribute on a substantive level and the level of organisational support necessary to ensure fruitful thematic processes that diverge from the classic type of sessions and tend more towards multi-stakeholder debates.

### ISC and Committee Meetings

The 3rd meeting of the 5th Forum's International Steering Committee was held in Istanbul on 6 November 2007, on the premises of the Istanbul Metropolitan Municipality. Each of the organisational committees (Programme, Political Process and Communications) provided the outcomes of their meetings, which were held the previous Sunday. Among the innovations included the creation of an editorial committee, plans for a Forum Newsletter starting at the beginning of 2008, validation of types and amounts of Forum registration fees, and the development of a negotiated Ministerial Agenda for water management. In addition, the ISC assigned four of its members to pilot regional processes and coordinate those processes within each committee. It also welcomed the idea of naming "Forum Ambassadors" to promote the Forum on a wider scale.

### Thematic Component

#### 1<sup>st</sup> Thematic and Regional Coordination Meeting

A limited core group of organisations convened in Istanbul on 5-6 November 2007, for a first "Thematic & Regional Coordination" meeting aiming to build a shared understanding and vision for the 5th Forum and introducing major themes and topics. It also sought to clarify preparatory processes, and explore ideas for active engagement of all key stakeholders at the 5th Forum. During this phase of preparation, coordinators and stakeholders worked together to engage reflection on each theme and define objectives for future meetings.

#### Delft Workshop

Within the framework of the Forum theme "Global Changes and Risk Management", the World Water Council, the Turkish hosts of the 5<sup>th</sup> Forum, together with a group of lead partners, including UNESCO, CPWC, IUCN, IWA and Green Cross International, organised a preparatory workshop entitled "Water Management Adaptation to Global and Climate Change" to scope this issue, keeping in mind its political context. Hosted by UNESCO-IHE in Delft, The Netherlands, on 18-20 December 2007, the meeting resulted in the definition of a number of important messages and operating principles, with the aim of establishing an authoritative position on Water and Climate, which could hopefully be endorsed in a political statement during the 5<sup>th</sup> Forum.

#### 100 Forum Questions

In order for the 5<sup>th</sup> Forum to generate concrete and sustainable solutions to the world's main water challenges, "100 key questions" are being identified, to which Forum participants will be asked to provide clear and precise answers in their sessions. The idea of designing sessions for the 5<sup>th</sup> Forum around challenging questions is appealing in that it identifies immediately the concrete solutions that the 5<sup>th</sup> Forum is aiming to provide.

The WWC HQ has designed an online questionnaire in which visitors may vote for the question they feel is most pertinent as related to each topic or to propose another question that they feel may be more relevant.

#### Thematic Coordinators

Upon recommendation of the 5<sup>th</sup> Forum Programme Committee, approved by the ISC co-chairs, organisations have been assigned as coordinators to each theme.

### **Political Component**

The Political Programme of the Forum aims to bring together politicians and elected officials from all over the world—not only those responsible for water, but also those responsible for other domains such as finance, environment or agriculture—in order to create an understanding for the urgency of positive and pro-active policies on water issues. Based on the experience developed further during the 4th World Water Forum, the political process of the 5th World Water Forum in Istanbul involves three interconnected political groups: National Governments, Local Authorities and elected Parliamentarians.

A number of events in the preparatory process have furthered this interaction:

- *A Brainstorming Session:* In partnership with the Turkish Ministry of Foreign Affairs and 5th Forum Secretariat, the WWC hosted a brainstorming session for the Political Process of the 5th Forum on 19 and 20 November at its Headquarters in Marseilles. The purpose of this two-day-meeting was to gather high-level representatives from local authorities, parliamentarians and members of national governments within a participatory framework to discuss the format, thematic focus and the development of products related to the Forum's Political Process. The workshop reflected the organizers' ambition to develop a new vision for water, which should be more politically driven and better linked to technical as well as societal dimensions. The participants, who represented five different regions of the world, were invited to reflect on three critical issues, the results of which will be submitted to a larger Focus Group meeting planned early next year.
- *UCLG World Congress:* On 31 October 2007, a 5th Forum side event chaired by Margaret Pageler, WWC's Governor, was held at the UCLG (United Cities and Local Governments) World Congress in Jeju, Korea. The Council, in association with UCLG, ICLEI, and the City of Istanbul, had invited mayors in the aim of thoroughly integrating the perspectives of local authorities within the preparatory process for the 5th Forum. Two major messages were received from participants: Firstly, mayors and local political leaders should be reached through their municipal associations, not by expecting their participation in meetings of water professionals leading up to the Forum. Secondly, the 5<sup>th</sup> Forum theme of adapting water management for climate change is timely as mayors are deeply concerned about the challenges ahead in this domain.

### **Regional Coordination**

#### Asia-Pacific Water Summit

Represented by several members of the Bureau, the Council participated at the First Asia-Pacific Summit on 3 and 4 December 2007 in Beppu, Japan, where 49 top-level political leaders gathered to discuss the need for a greater commitment to water and sanitation in the region. Chaired by former Japanese Prime Minister, Yoshiro Mori, in collaboration with the Asia Pacific Water Forum's Governing Council, the Summit encouraged exchange on the central theme of "Water Security: Leadership and Commitment" which recognized the right to water and sanitation. These outcomes will serve as a contribution to the 5<sup>th</sup> Forum political process and as a model to other regions.

### **Secretariat, Logistics and Other Issues**

A Professional Conference Organiser was selected by the City of Istanbul and work was initiated with the 5<sup>th</sup> Forum Secretariat on aspects of cooperation defined within the bidding document. The 5<sup>th</sup> Forum Secretariat has submitted a working proposal on Major Groups with the objective of organizing the integration of Major Groups and Stakeholders into the 5<sup>th</sup> World Water Forum processes. A contact point within the Secretariat has been named to deal with inquiries related to this issue. Tri-partite discussions are underway between the Japan Water Forum (representing the City of Kyoto), the 5<sup>th</sup>

Forum Secretariat and the WWC HQ to determine the specifics of the 2<sup>nd</sup> Edition of the Kyoto Prize. The same process will be soon engaged for the Hassan II Prize.

### **3.5 6th Forum**

During the Mayor's reception for Governors in June 2007, the Mayor of Marseilles had expressed Marseilles' interest in becoming a candidate to host the 6<sup>th</sup> Forum. Upon further discussion, it was determined that the selection procedure for the 6<sup>th</sup> Forum should be reviewed by the Board. Namely the bidding documents related to the 6<sup>th</sup> Forum selection process with the objective of being able to announce the host of the 6<sup>th</sup> Forum in Istanbul in March 2009.

### **3.6 Strengthening the Headquarters**

It is illustrated by the staff time tracking, the temporary strengthening of the staff and the implementation of an IT platform.

#### **3.6.1 Staff Time Tracking**

The work load required for the preparation of the 5<sup>th</sup> Forum has been heavier than expected and has required a great mobilization of the staff. In 2006, for the 4<sup>th</sup> Forum, the proportion of the staff's time which was devoted to the Forum hardly reached 30%. In 2007 this proportion reached approximately 40% and more than 50% for an important part of the team. This evolution has had implications both on the time spent on the programmes, which has decreased, and on the delay in the fundraising process.

#### **3.6.2 Staff evolution**

With the activities programme development and the Council's priorities selection, particularly with the 5<sup>th</sup> Forum preparation, staff expertise and professionalism had to be developed. The permanent staff is composed of an Executive Director, a Financial and Administrative Director, a water management Senior Expert, two project officers (water monitoring alliance and strengthening local authorities), a Forum Coordinator, an accountant, an executive assistant, a bilingual executive assistant hired in October 2007, a communication Officer and a Membership Officer. A project officer resigned at the end of 2007. Four new recruitments composed of an Africa Programme Officer, an executive assistant, a communication assistant and a database assistant strengthened temporarily the team. The Headquarters also welcomed interns from many countries.

#### **3.6.3 Development of an IT platform**

An IT Platform is required to enhance the capacities of the Headquarters in communications in proposing tools for the joint elaboration/consultation of documents by governing bodies and Forum committees or for joint planning of activities. Significant work has been devoted to the implementation of such an IT platform for both the Forum and the Council.

This work has involved the following tasks:

- Hiring an international company knowledgeable in such platforms (among 3 companies, IBM was finally selected) to advise and supervise;
- Developing detailed specifications for the IT platform of the Forum in close partnership with the secretariat;
- Developing general terms of reference for other IT platforms required for other Council activities;
- Selecting of the Alfresco web-based tool for electronic document management;
- Developing specifications for a knowledge-base on the Forum and training the staff on this new tool.

### **3.7 Board of Governors**

Two boards of Governors took place this year.

#### **3.7.1 28th Board of Governors**

Held in Antalya, Turkey, 21- 22 March 2007. It was mainly proceeded to :



- The budget 2007 approval;
- The approval of a triennial work plan and the budget dedicated to;
- The establishment of a group dedicated to fundraising;
- The introduction of the 2006 activity report, the treasurer report and the ISC reports on the 5<sup>th</sup> Forum;
- The adoption of a Term of Reference document for the selection of the 6th Forum host country;
- The definition of efforts to implement concerning the regional and political processes and the communications, main components of the Forum;
- The delegation to some Governors of functional, thematic and regional responsibilities.

### 3.7.2 29th Board of Governors

Held at the Headquarters in Marseilles, 21-22 June 2007. It was mainly proceeded to:

- The approval of 2 alternates changes;
- The closing of 2006 accounts ;
- The introduction by the auditor of the 2006 audited accounts which will be submitted for approval to the next General Assembly;
- The introduction by the Executive Director of the management report for the year 2006 ;
- The approval of 4 new applicants;
- The application of the City of Marseilles to host the 6<sup>th</sup> World Water Forum.

## **4. PARTNERSHIPS**

### **4.1 Strategic partnerships**

Implemented programmes permitted to strengthen Council's partnerships with many organisations including:

- *The French Government:* The relationships with the French Ministries of Foreign Affairs and Ecology have been strengthened thanks to the "monitoring" programmes, the strengthening of local authorities and the preparation of the Forum African process, actively supported by the French Government.
- *The Turkish Government:* The World Water Council is in charge of the organisation of a World Water Forum every three years. Within the frame of the 5<sup>th</sup> Forum organisation, negotiations were carried out, resulting in a « Framework Agreement » signed, 24 June 2006, in Marseilles, and a second Letter of Agreement entitled "General Agreement on Forum Components", signed on 18 January 2007 in Ankara. The Letter of Agreement further defines the overarching Theme of the Forum: "Bridging Divides for Water", political commitment and financial issues with the establishment of an initial budget, for which Turkey contributes for 1,000,000€ from governmental bodies and 500 000€ from others sources, payable in six instalments. The convention also provides with the establishment of a 5th Forum Secretariat, website and exchange of staff.
- *Council's Members:* many WWC members have actively participated to implemented programmes and communication activities.

Most of partnerships above mentioned should go on and develop the years to come. New partnerships must more particularly be developed with others governments and United Nations institutions.

### **4.2 Partnership with the City of Marseilles**

The agreement signed with the City of Marseilles during the 23rd Board of Governors will stop at the end 2008. Following this agreement, a 440,000€ annual grant is allocated to the Headquarters. Furthermore Marseilles seconded the headquarters' offices, computer equipments, a financial and administrative Director and an accountant for an annual amount of 809,746 €.

## **5. PRESENTATION OF FUTURE PERSPECTIVES**

Regarding available resources, the Council will participate to international meetings organised by sectors related to water (energy, demography...) and will go on implementing the thematic priorities defined by the 4<sup>th</sup> General Assembly in pursuing the mobilization of different economical and political

actors around the Millennium goals (water services, sanitation, increase public awareness to water problems). The following initiatives are thus under preparation:

- *Facilitating the Strengthening of Local Authorities*: an overall programme proposal is being prepared with WWC members and partners (IGD, ICLEI, UCLGA, AMG VF, SUEZ, SDC, WBI, UNESCO-IHE) focussing on clarifying role of Local Authorities in context of decentralization which will become an integral part of the political process for the 5th Forum. The discussions with partners are ongoing and agreements in principle for financing have been obtained from French MEDAD (Environment and Equipment), the Government of Spain (Ministry of Environment) and Swiss Development Corporation.
- *Water Monitoring Alliance*: In continuation of the previous engagements, a proposal to MEDAD for follow-up is under preparation focussing on the development of existing and new partnerships for the Alliance. Special attention is being paid to the collaboration with the World Water Assessment Programme (WWAP).
- *Financing Water for All*: Various members of the previous panels and task forces indicated the need for a continuation of the "Camdessus Panel" and the "Gurria Task Force". Some follow-up actions are initiated focussing on a continued input for the Forum. In collaboration with OECD an action is initiated to jointly report on the allocation and use of ODA for water. In addition an initiative has been taken with ICID to establish a Task Force on Financing Water for Agriculture focussing on the demand side of financing and the investment needs for water management for agriculture.
- *Equity and gender*: The Council recognizes the importance of equity balance and the essential role of women in solving water-related issues. A proposal has been prepared on the development of a process to be incorporated in the preparation of the 5<sup>th</sup> Forum.

## **6. ALLOCATION OF THE PROFIT**

We are proposing to allocate all the profits from the financial year in the amount of 121, 755 euros once more to the following year:

- Sum brought forward: 121, 755 euros

At the end of the operation, the Association's equity account will be as follows:

- Sum brought forward 398, 727 euros
- Investment grant 68, 633 euros

This being a net worth of 467, 360 euros.

## **7. ADDITIONAL INFORMATION**

The accounts have been established according to the same forms and methods as those employed for the previous financial year, which conform to the regulations in effect. However we mention a change in accounting methods in 2006, consisting by incorporating the furniture and computers equipment made available by the City of Marseilles, in the assets of the WWC, in compensation by incorporating investment grants in unrestricted funds. This change in accounting methods has no impact on net income or loss, the portion of investment grants relating to the period transferred to income, at the same amount and rate of amortization of corresponding assets. Then, as in the past, no equity investments were carried out in any association with its Headquarters in the territory of the French Republic.

## **8. CONCLUSION**

We have attempted to give you an overall view of the Association's activity during the financial year, and hope that you will approve the proposed resolutions concerning the accounts, as well as those concerning the management.

Mr. Loïc FAUCHON  
President