



Item 15

Financing of the Protocol on Water and Health

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Francesca Bernardini and Sonja Koeppel, UNECE
Oliver Schmoll, WHO Regional Office for Europe

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@WHO_Europe

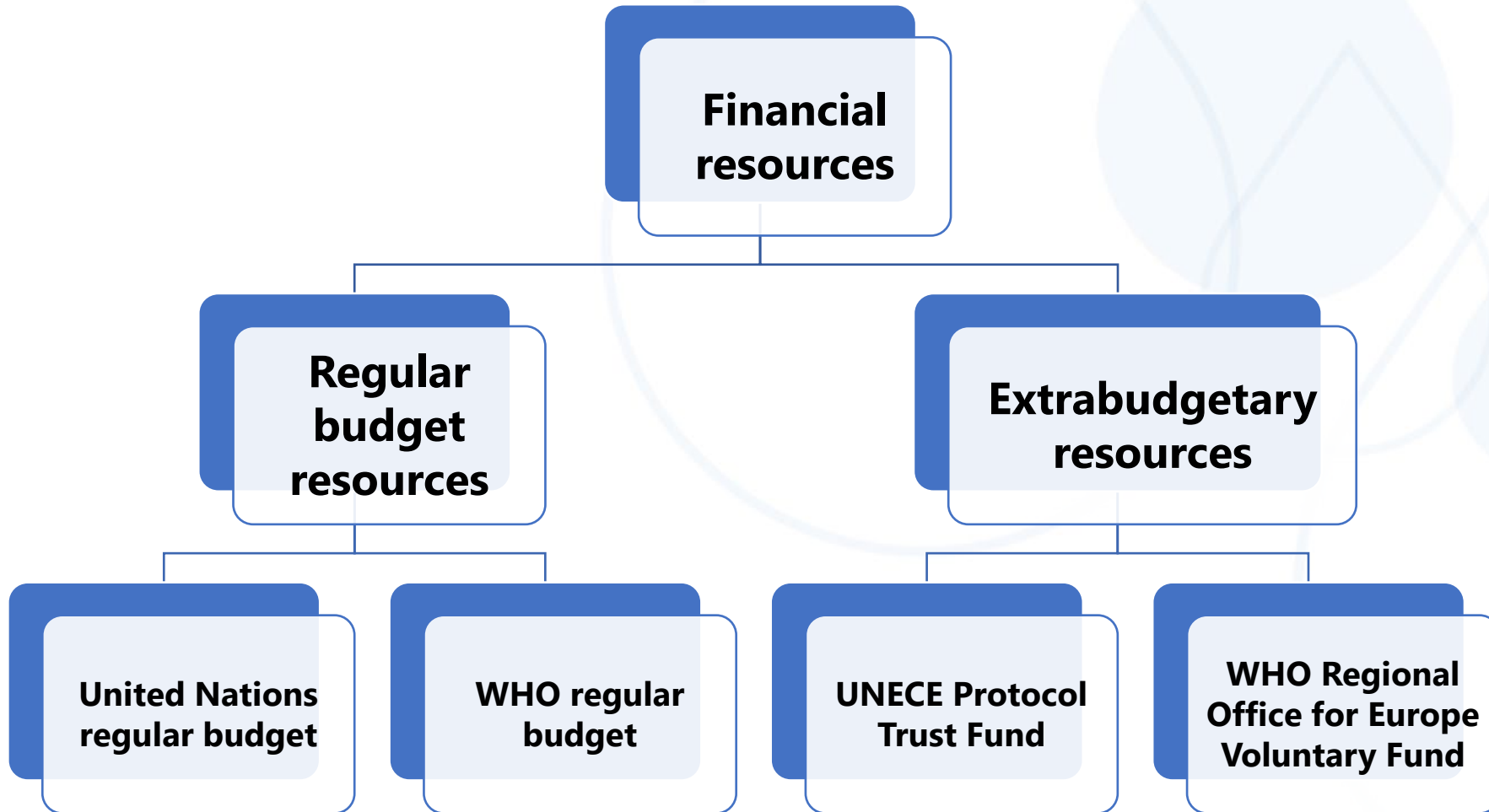


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Outline

1. Financing of activities under the Protocol: different funding channels
2. Overview of extrabudgetary contributions – in-depth analysis
3. Challenges, consequences and implications related to extrabudgetary funding
4. Way forward for financing the Protocol

Financing channels under the Protocol



UN and WHO resources

UN regular budget

- Rooms and interpretation for official meetings (as of 2023, hybrid meeting arrangements are not covered any more)
- Official documentation and translation into 3 official languages
- Publications: translation, design, printing
- 0.3 P4 post in UNECE to serve as co-Secretary to the Protocol, shared with the Water Convention, 0.5 in the future



No regular budget post exclusively for the Protocol in UNECE!

WHO budget

- There is no regular budget post for the Protocol in the WHO Europe Regional Office
- Share of WHO staff costs and funding for activities on basis of host country agreement with Germany (voluntary contribution)
- Use of other voluntary contributions for staff and activities
- In-country activities through BCA arrangements (regular budget)



Currently majority of Protocol staff are paid by voluntary contributions



Overview of extrabudgetary contributions to the Protocol trust funds: In-depth analysis

Programme of work for 2020-2022
Estimated required funds: US\$ 5,285,000
Total amount received in both funds: US\$ 1,364,712

Country	UNECE	WHO	Total
Belgium	43,116		43,116
Czechia		23,267	23,267
Estonia	2,051	3,281	5,332
Finland	26,479	45,615	72,094
France	297,084		297,084
Germany	186,150	3,821	189,971
Hungary	21,000	21,731	42,731
Luxembourg	20,638		20,638
Netherlands	115,663	165,399	281,062
Norway	89,985	120,000	209,985
Serbia	10,593		10,593
Russian Federation	250,000		Not counted in total due to request by donor to suspend meetings
Slovakia	10,861		10,861
Switzerland	157,978		157,978
TOTAL	981,598	383,114	1,364,712

* Contributions from 1 July 2019 to 31 May 2022

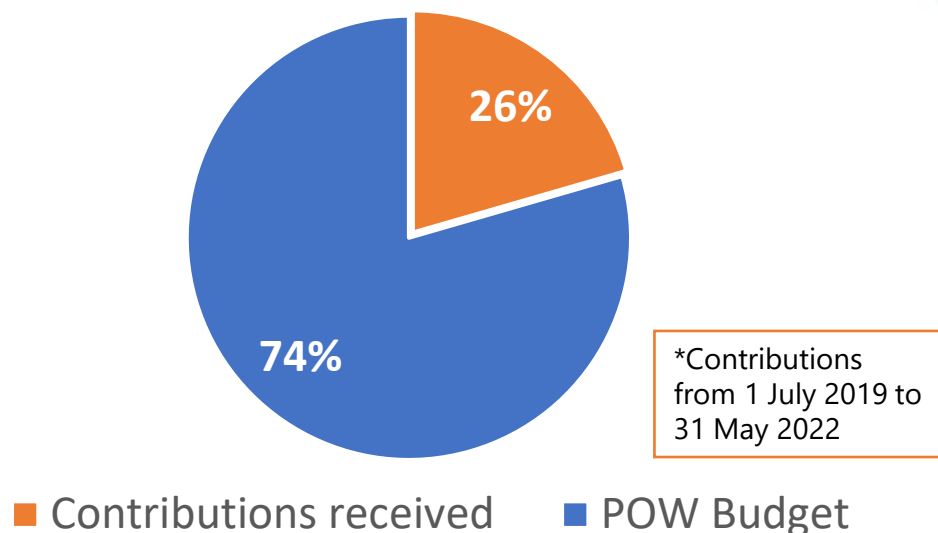


Positive developments

- Some new countries contributed for the first time to the Protocol trust funds since 2019 (e.g. Belgium, Czechia and Luxembourg)
- Contributions lead to real progress (e.g. Romania in the early time, Germany on small-scale systems, or contributions by France for equitable access activities)
- Several important in-kind contributions (e.g. JPO from Germany and previously France, Germany for programme area 4, Netherlands for programme area 5)
- Contributions by WHO Collaborating Centres in programme areas 2, 3, 4 and 5

Contributions in 2020-2022 (July 2019-May 2022)

Contributions received in Protocol's trust funds vs. programme of work budget 1 July 2019 - 31 May 2022

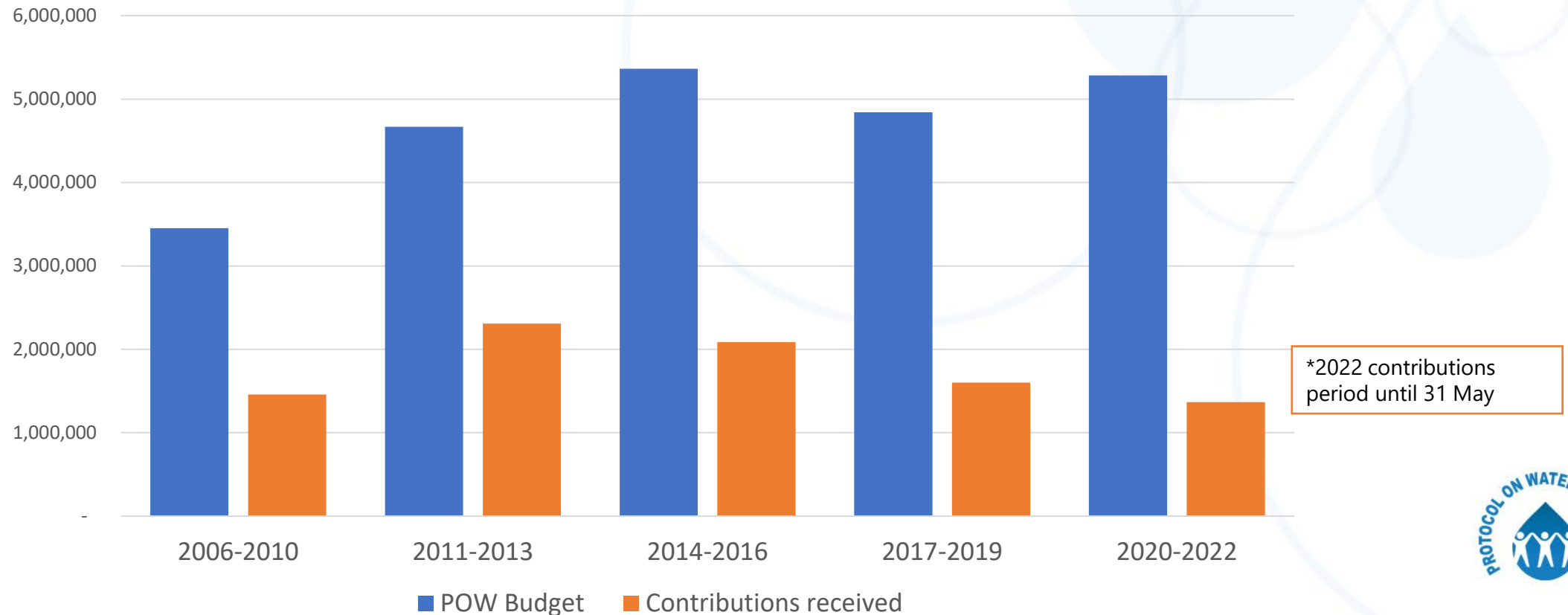


Only 14 out of 27 Parties have contributed to the Protocol in the triennium 2020– 2022

Most Parties contributed less or significantly less than the scale of assessments

Financial contributions received are lower than budgets for the programmes of work

Budget for programmes of work vs voluntary contributions made to both UNECE and WHO trust funds for the Protocol



Expenditures 2020-2022 (July 2019-May 2022)

Expenditures of funds earmarked for the Protocol:

1,444,670 US\$

Funds mobilized from other sources (e.g. NPDs, WHO voluntary contributions):

1,775,999 US\$

Protocol balance on 31 May 2022:

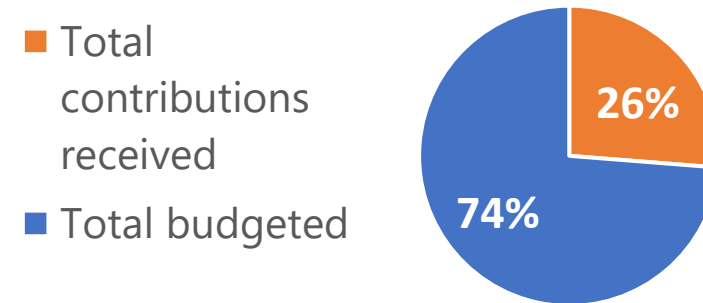
- UNECE trust fund: **638,753 US\$ (currently: around 500,000 US\$)**
- WHO voluntary fund: **363,935 US\$**

Challenges related to extrabudgetary funding

- **Less than a third of the PoW budget** has been received in the Trust Funds
- **Most of the Protocol work is financed by few Parties (France, Germany, Netherlands, Norway, Switzerland)**
- Most Parties contribute less than it would be needed according to UN scale of assessment
- Some **contributions come late**, based on secretariat follow-up
- **Lack of predictability of funds** is a challenge for good planning, effective implementation and well-being of staff
- **Earmarking** to a certain programme area limits flexible use
- **Need for separate reports in some cases** is an additional burden for the secretariat

Total budgeted vs contributions received in Protocol's trust funds

2006-2022



Consequences and implications

- **Some activities** from the programme of work **cannot be implemented effectively/timely** and/or **have to be postponed**
- While some funds have been secured for future activities (e.g. UNDA), there are insufficient resources to secure **adequate level of secretariat support** (currently not all staff in the UNECE secretariat can be extended for full year 2023)
- **Fundraising requires significant time** which is a challenge for the joint secretariat

Possible suggestions for financing the Protocol

- Provision of regular contributions by all Parties in a predictable manner
- Countries motivating each other and sharing experiences on mobilizing funds for the Protocol
- Provision of contributions that are not earmarked to a certain programme area and/or time-bound
- Provision of contributions that do not require separate reporting
- Countries are encouraged to use UN scale of assessment to inform the amount of their potential contribution
- Focal points being proactive in mobilizing funding at their own ministries and beyond (e.g. international cooperation agencies, ministry of foreign affairs)
- Focal points being proactive in mobilizing in-kind contributions

Overview of resource requirements for implementing the draft future programme of work 2023-2025

Area	Estimated costs (activities + staff) in USD
Implementing Bodies	991,300
Programme Area 1	667,000
Programme Area 2	435,300
Programme Area 3	511,200
Programme Area 4	460,200
Programme Area 5	521,000
Programme Area 6	648,200
Programme Area 7	673,200
Programme Area 8	113,100
Programme Area 9	349,200
Programme support costs (13% rounded)	698,100
Total	6,067,800

Resource requirements for 2023-2025

	Estimated cost in USD
Total for all programme areas	5,369,700
Programme support cost (13% rounded)	698,100
Grand total	6,067,800

Of which staff cost: 2,637,100 USD

- Subtotal ECE staff: 1,667,900 USD
- Subtotal WHO/Europe staff: 969,200 USD

Thank you for your attention!



Questions for round-table discussion on financing

1. What financial contribution can your country make in order to support implementation of the programme of work for 2023–2025?
2. As a Party, how can your country support efforts to enhance the sustainability and predictability of financing under the Protocol?
3. How can your country contribute in kind to the Protocol's activities?

1% coordination Levy effective 14 March 2019

- General Assembly Resolution 72/279 of May 2018 introduced the levy to provide funding to the new United Nations Resident Coordinator System.
- The policy for the collection and management of this 1% Coordination Levy was effective 14 March 2019
- The 1% levy applies to agreements that have tightly earmarked contributions with reporting that relate to development activities with a minimum threshold of USD 100,000.