

# Wetlands International Foundation

## 2010 Annual Report and Accounts





**FOUNDATION WETLANDS INTERNATIONAL**  
**(Stichting “Wetlands International”, officially registered in Wageningen, the Netherlands)**



**ANNUAL REPORT AND ANNUAL ACCOUNTS 2010**

Foundation: Stichting Wetlands International, KvK registration no. 09099028

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## ACRONYMS

AEWA	African-Eurasian Waterbird Agreement
CAFF	Conservation of Arctic Flora & Fauna
CBD	Convention on Biological Diversity
CBF	Central Bureau for Fundraising
CEO	Chief Executive Officer
COO	Chief Operations Officer
CoP	Conference of the Parties
CSN	Critical Site Network
CSO	Civil Society Organisation
EU	European Union
GEO-BON	Group on Earth Observations – Biodiversity Observation Network
GMM	General Members Meeting (of the Association)
IWC	International Waterbird Census
IWRM	Integrated Water Resources Management
MB	Management Board Wetlands International
MFS-II	Co-financing programme of the Dutch Ministry of Foreign Affairs
MWO	Mediterranean Wetlands Observatory
NGO	Non-Governmental Organisation
OD	Organisational development
RSIS	Ramsar Sites Information Service
SC	Supervisory Council of Wetlands International Foundation
STRP	Scientific and Technical Review Panel of Ramsar
UNEP	United Nations Environment Programme
UNFCCC	United Nations Conference on Climate Change
VFI	Vereniging van Fondswervende Instellingen – Dutch Association of Fundraising Organisations
WLP	Wetlands and Livelihoods Project
WoW	Wings over Wetlands (Project)
WPRP	Wetlands and Poverty Reduction Project
WPIAT	Wetlands Pre-Impact Assessment Tool

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## FROM THE CEO

During 2010 considerably more evidence came to light concerning the increasing pressures on wetlands in all regions of the world. Sectoral reports indicate that these pressures will intensify over the coming decades due to acceleration in global demand for agricultural land and water, as well as climate change. But in the last years, the importance of understanding and valuing ecosystem services has gained more recognition. And more companies, especially those that directly impact nature, such as the extractive industries, are seeing that failure to account for the values of natural capital in early stages of planning can pose significant business risks.

In 2010, the Strategy review process provided a very rich source of feedback from our stakeholders in all regions. The feedback and dialogue underlined the urgency of our mission and the strong relevance of Wetlands International's knowledge to help resolve the land and water resource conflicts of our time. In recent years, Wetlands International learnt that it can be effective in reacting and responding to major events that concern wetlands, such as the Asian tsunami and avian influenza, providing key knowledge and know-how that helps to build capacity in governments and communities to take action. In 2010 we continued to be responsive to the key world events, including for example the Gulf of Mexico oil spill and the major peatland forest fires in Russia. We also learnt that by taking a very focused approach to global policy issues, such as climate change mitigation and adaptation and biofuels, feeding in our specialist knowledge (for example on peatlands) at the key UNFCCC meetings and working via NGO and government networks in Europe, we could be very influential in the climate negotiations and in influencing the 2020 Aichi Biodiversity targets. These policy developments will in turn translate into significant incentives for wetland conservation and restoration in the coming years.

At the same time, Wetlands International took significant steps during 2010 to deepen its experiences in a number of key wetlands and basins in relation to biodiversity conservation, water resource management, poverty reduction, health and disaster risk reduction. The cumulative knowledge gained from these long-term engagements with governments and communities has made Wetlands International an increasingly attractive partner for research institutions and organisations in the water and aid and development sectors, who are seeking to take an ecosystem approach to their work.

2010 was a tough year for most NGO's based in Europe and the US due to the economic crisis dramatically reducing the available charitable funds, institutional grants and, in particular resources for biodiversity-related work. Competition for the reduced funds increased in our sector, so reducing our success rate for gaining traditional sources of project funds. Despite this situation, Wetlands International only needed to make very modest staff reductions in its headquarters and by focusing its available resources on major programme development, we were able to secure several multi-region programmes for the coming years, as well as resources to invest in organisational development.

Jane Madgwick  
May 2011

## **1 Introduction to our organisation**

Wetlands International is a global non-profit organisation comprising of the Association Wetlands International and the Foundation Wetlands International, legally registered in the Netherlands, and a global network of independent offices. These are linked by Agreements regarding *i.e.* the use of the name and logo of Wetlands International, common goals and standards. The Association and the Foundation are strongly linked. While all operations are executed within the Foundation, the Association determines the longer-term strategy of the organisation and provides part of the funding for the Foundation's work. The Board of the Association, appointed by the General Members Meeting (GMM) of the Association, and the Supervisory Council of the Foundation comprise of the same persons. This statutory Annual Report describes the work of the Foundation. It includes all of the activities carried out by the Netherlands headquarters and work executed by other offices under project contracts. Regional and country offices resource, initiate and manage a broader portfolio of programmes and projects for which the Foundation has no legal obligations. These are not included in this report but they are in the separate, non-statutory, Global Annual Review, in which Wetlands International provides the full picture of the work of all offices. Because of the interlinked organisational set-up described above, the financial figures of the Foundation and Association are consolidated in the Annual Accounts of the Association Wetlands International.

During 2010 a major consultative review of Wetlands Internationals Strategic Intent was conducted, resulting in the adoption of a new Strategic Intent 2011 – 2020 by the General Members Meeting in February 2011. However, work in 2010 was still guided by the Strategic Intent 2005-2014, adopted in 2004 and consequently this report is based on the structure and goals of that document.

## 2 Report of the Supervisory Council

A major topic on the agenda during 2010 was the review of the Strategic Intent. Management, staff and the members of the Supervisory Council/Board of the Association devoted significant attention and energy on this. Other important topics for the Council were the financial position and improvements in the governance of the Foundation. In financial terms, the application for funding from the co-financing programme of the Dutch Ministry of Foreign Affairs was of major importance. Although the applications in which Wetlands International participated were successful – after considerable investments in time and energy from staff and management – the final grants were significantly less than anticipated. In combination with the finalization of other projects, such as Wings over Wetlands (WoW) the financial position led the council to approve cost reduction measures proposed by the Management Board at the end of the year which result *i.a.* in a smaller staff.

In terms of governance, 2010 was a year with a positive step change. The Foundation has ensured by the end of the year that it complies with the Code Wijffels. As a result of these and related efforts, we will be able to apply for the Dutch CBF (Central Bureau for Fundraising) Seal of Approval in 2011. This process included the approval of the Council to amend the Statutes and the adoption of internal Rules and Regulations, further specifying ways of working of Council and Management Board and a profile for the Council members. The amendments to the Statutes included the policy choice of making the Supervisory Council smaller in size.

The Council met twice during the year, at which meetings the Management Board also attended. At both meetings progress in the Foundation's work as well as the financial situation were discussed on the basis of reports by the Management Board. A subgroup of the Council executed the yearly assessment of the Management Board. In 2010, key performance indicators for the Management Board and 360 degrees feedback were introduced. The Supervisory Council also executed a self-evaluation. As regards the substance of Wetlands International's work, the Council notes with pride the large body of results and outcomes as described in this Report.

The composition of the Supervisory Council during 2010 is presented in the table underneath.

<b>1 January 2010</b>	<b>31 December 2010</b>
Gordana Beltram, Chair, Chair Nominations Committee	Gordana Beltram, Chair, Chair Nominations Committee
Paul Mafabi, Chair Programme Review and Science Committee	Paul Mafabi, Chair Programme Review and Science Committee
Bruce Mahin, Chair Finance & Operations Committee	Baz Hughes, Acting Chair Finance & Operations Committee
Cees van Woerkum Chair Resource Development and Communications Comm.	Cees van Woerkum Chair Resource Development and Communications Comm.
Margarita Astralaga	Idrissa Doucoure
Idrissa Doucoure	Kevin Erwin
Kevin Erwin	Maria Carolina Hazin
Maria Carolina Hazin	Sidharth Kaul
Baz Hughes	Sergio Lasso Barreto
Sidharth Kaul	Yoshihiro Natori
Sergio Lasso Barreto	Hazell Shokellu Thompson
Yoshihiro Natori	
Hazell Shokellu Thompson	
<u>Observers</u>	<u>Observers</u>
Rob van Brouwershaven, alternate Marie-Josée Jenniskens, Observer of the host country	Rob van Brouwershaven, alternate Atty Bruins, Observer of the host country
Nick Davidson, Observer of the Ramsar Convention Secretariat	Nick Davidson, Observer of the Ramsar Convention Secretariat
Ray Offenheiser, Honorary President	

During 2010 Mr. Bruce Mahin, Ms. Margarita Astralaga and Mr. Ray Offenheiser left the Board for personal reasons.

On behalf of the Supervisory Council,  
Gordana Beltram, Chair  
May 2011

### **3 The strategy of Wetlands International**

The work of Wetlands International is guided by a Strategic Intent that sets out our mission and vision, how we work, what we value and what we aim to achieve. While we undertook a review of our Strategic Intent during the year, resulting in an update for the period 2011-2020, in 2010 we worked according to the Strategic Intent 2005 – 2014, with the characteristics as explained below.

#### **Mission**

Our mission is to *sustain and restore wetlands, their resources and biodiversity for future generations.*

#### **Our vision**

Wetlands contribute a disproportionately high amount to global biodiversity, compared with other biomes. However, the rate of loss and deterioration of wetlands is accelerating in many regions of the world. Actions for the conservation and wise use of wetlands can result in major contributions to biodiversity conservation, sustainable development and poverty alleviation, through safeguarding wetland-dependent species, valuable water resources, and other wetland products and services. We believe that people's spiritual, physical, cultural and economic well-being depends on safeguarding and restoring wetlands worldwide. We consider that greater prominence needs to be given to the conservation and wise use of wetlands as a contribution to sustainable development. Improved governance and concerted action by all sectors of society, from global to local levels, are needed in order to secure wetlands and their range of values and services for current and future generations.

Our long-term vision is that wetlands and water resources are conserved and managed for their full range of values and services, benefiting biodiversity and human well-being.

#### **Core values**

In carrying out our work through all our offices and with partners, we maintain the following core values:

- our work is globally relevant
- our work is based on sound science and incorporates traditional knowledge
- we work through partnerships and with a wide range of sectors
- we respect traditional values
- we work in a transparent and accountable way

#### **Ways of working**

Wetlands International seeks to be the global authority on the status and trends of wetlands; a source of "best-informed" opinion on priority actions for wetland conservation and wise use and a champion and catalyst for the wise use of wetlands as a contribution to sustainable development. We do this by:

1. working in partnership with national governments and with all sectors to raise awareness of wetland values and services, as well as priorities for conservation action, by providing the necessary information and tools, and by increasing capacity for their use;
2. providing technical, scientific and policy inputs to the work of conventions and other global processes and international organisations that facilitate and guide government actions for wetland conservation;
3. furthering the conservation of wetland dependent species and habitats through integrated global, regional and site-based programmes;
4. demonstrating positive outcomes for people and wetland biodiversity at the ground level in focal regions and habitat types; and

5. promoting the conservation and sustainable development of wetlands through innovative mechanisms and strategic sectoral partnerships.

### **The goals**

The Strategic Intent has identified four long-term strategic global goals that guide our work. We consider that our vision will only be achieved if all sectors take action to achieve the outcomes described under these goals:

#### **goal 1            Global wetlands knowledge-base**

Stakeholders and decision-makers are well informed about the status and trends of wetlands, their biodiversity, socio-economic values and priorities for action.

#### **goal 2            Mainstreaming wetlands in sustainable development**

The values and services delivered by wetlands are recognised and integrated into sustainable development.

#### **goal 3            Integrated water resources management**

Conservation and wise use of wetlands is achieved through integrated water resource and coastal zone management.

#### **goal 4            Biodiversity and ecological networks**

Improved conservation status of wetland biodiversity is achieved through largescale, transboundary initiatives for wetland-dependent species and critical

## **4 Governance**

The Foundation Wetlands International is managed by its statutory governing body, the Management Board, which presently consists of the Chief Executive Officer and the Chief Operations Officer. The Management Board (MB) is supervised by the Supervisory Council (SC). The composition of the Management Board and Supervisory Council are presented in Annex 1. The accountability statement in Annex 5 gives a more detailed description of the way in which the Foundation's governance is organized. During 2010, MB and SC met three times: at the two regular SC meetings and for the annual assessment of the MB. The MB provides extensive documentation for the SC meetings. In addition there are between the meetings contacts between individual MB and SC members for consultation and advice on particular topics. The MB has a schedule of meeting in principle every fortnight.

2010 showed important developments regarding the Foundation's governance. MB and SC decided that the Foundation should comply with the Dutch "Code Wijffels" for good governance of charities per 1 January 2011 and will apply for the Dutch CBF (Central Bureau for Fundraising) Seal of Approval in 2011. One of the consequences was that the Statutes of the Foundation were amended in order to fully comply with the requirements. Next to that, the Statutes were also changed to reduce the size of the Supervisory Council with the intent of ensuring a more efficient and effective cooperation with and supervision of the Management Board.

Another major subject for Wetlands International's governance, in terms of setting its goals, was the review and renewal of the Strategic Intent, leading towards the adoption of the new Strategic Intent 2011 – 2020 by the Association's General Members Meeting in February 2011.

## 5 Functioning of the organisation

Wetlands International worked with 32 members of staff in 2010. There was little change in the composition of the staff. The necessary flexibility is maintained by regularly working with a pool of consultants on a regular basis. Eight volunteers worked with Wetlands International in 2010: Tom, Arina, Paul, Paola, Carlos, Steven, Richard, Charlotte. The organogram at the end of this chapter shows the positions and staff as per end of 2010.

All the work in Wetlands International is guided by a ten year Strategic Intent that sets out the mission, vision, core values, long-term goals and five-year targets. The document sets out our purpose, niche, values, priorities and our main strategies for action. The heads of office of the entire network of Wetlands International are responsible for the implementation of the Strategy. Within the Foundation of Wetlands International, Heads of Programme and Strategy, reporting to the CEO, help to guide the network on strategic opportunities for delivering the Strategy, support project development and coordinate monitoring and evaluation of implementation of the Strategy.

Continuous change both in the external environment as well as in the organization itself call for periodic renewal of the Strategic Intent for the organization. According to the Wetlands International strategic planning framework, the ten year Strategic Intent is revised every five years. During 2010 there was an extensive internal and external review process prior to resetting the Strategic Intent including extensive stakeholder consultations in four continental regions, reflecting on achievements made in the period 2005-2010 and analysis of the opportunities and challenges for Wetlands International globally and regionally. Reports were produced on the global achievements according to the specific targets (2005-2010) at the three and five year points, for discussion with the Supervisory Council, Board of Association and our members. Regional consultation reports were produced on the basis of the workshops, questionnaires and other surveys and interviews. On the basis of this intensive and extensive review process, minor adjustments were made to the Mission, Vision and Core Values. A new, integrated Goal statement was developed, alongside 12 Collective Targets for 2011-2015. For the first time, we also set out the main strategies for our work: the particular ways in which we work to achieve our results, under the main headings of

1. Mobilising the best available expertise and knowledge
2. Raising awareness on the critical issues
3. Enabling society to take action
4. Influencing policies and practices

The draft document was submitted in 2010 for approval by the Association's General Members Meeting in February 2011. Regional strategies, including regional targets that contribute to the global Collective Targets were developed for the period 2011-2015 for Europe, Africa, Asia and Latin America and Caribbean. This review was a rich and rewarding process, that demonstrated the strong interest of a wide range of stakeholders in the work of Wetlands International, the value of taking regional perspectives into account in our global strategy and the relevance of the organisation to the key environmental and development challenges of the coming decade.

The Strategic Intent is largely implemented through projects, often involving staff from a number of offices. Some of the projects are led by regional offices and therefore are not the subject of this report.

Each project has a project manager. For those projects that are led from the headquarters, the project manager reports to a Programme Manager or Head of Programme and Strategy. Each project is supported by a team of technical staff and has a tailor-made framework for monitoring and evaluation. Often, projects contribute to more than one goal of the Strategic Intent, hence there is a matrix structure of managing projects and programmes (according to goals). Projects are usually implemented in alliance with other organisations. This way, Wetlands International maintains its niche and expertise on wetlands, while allowing for a spin-off of its approaches in other organisations and benefitting from additional capacities of those partners. 2010 marked the emergence of three major new Dutch alliances, each with an agreement to jointly implement 5 year projects. The *Ecosystem Alliance*, brings together Both Ends, IUCN and Wetlands International; the *Partners for Resilience Alliance* brings together the Red Cross, Cordaid, Care and Wetlands International; the WASH Alliance brings together a number of water sector organisations, led by Simavi. In each alliance, Wetlands International assures to follow-up the strategies implemented in previous major, multi-region programmes. A significant part of project implementation is devolved to the network of Wetlands International offices through project contracts.

The Wetlands and Livelihoods Project (WLP), a 2-year project ending December 2010 and covering a total amount of 5 million Euro, was externally evaluated in the last quarter of the year. The evaluation noted that recommendations from the final evaluation of a preceding project (WPRP.) were well taken into account by WLP through the development of a new approach, with integration of intervention strategies and devolvement of planning and implementation to Wetlands International regional offices. One of the conclusions of the WLP evaluation is that both aspects of this new approach worked very well; the devolved approach led to more local ownership, enhanced local networks, more recognition of local expertise and the integration resulted in more focus and increased regional coherence. The project achieved many significant results and outcomes at the global and regional level, as can be seen in the results section of this annual report. WLP led to enhanced knowledge, increased technical and institutional capacity and fruitful partnerships of the global Wetlands International network.

Most of the WLP achievements, processes and lessons learned will be followed up and up-scaled through new programmes such as the 5-year programmes with Partners for Resilience and the Ecosystem Alliance. Both programmes started in January 2011 and will be implemented in alliance with other organisations, which will enhance the forementioned upscaling.

Also, an external mid-term review of the partnership between Wetlands International and Shell was undertaken. It concluded that both partners are positive about the way they engage with each other on the partnership and noted that the relation is well endorsed at top management level, with significant interaction between the Wetlands International CEO and the Shell CEO and Directors on key policy issues. A major strength is the cooperation between the two relationship managers. Most of the work has been invested in achieving the first objective of the partnership (*enhance conservation and sustainable use of wetlands for biodiversity and people by Shell and its affiliates as a measure of their sustained profitable operations*). Several activities had been identified and taken in some way towards implementation under this objective. About the second objective of the partnership (*to raise performance standards in the energy sector and its supply chain with respect to conservation and wise use of wetlands.*), some foundations have been laid. The Arctic project work has gained a lot of interest from other oil and gas companies. But also the Wetlands Pre-Impact Assessment tool is going to be very useful even outside of the partnership. For further information see the results section of this annual report. The final objective of the partnership (*to strengthen WI capacity for engaging with business and for*

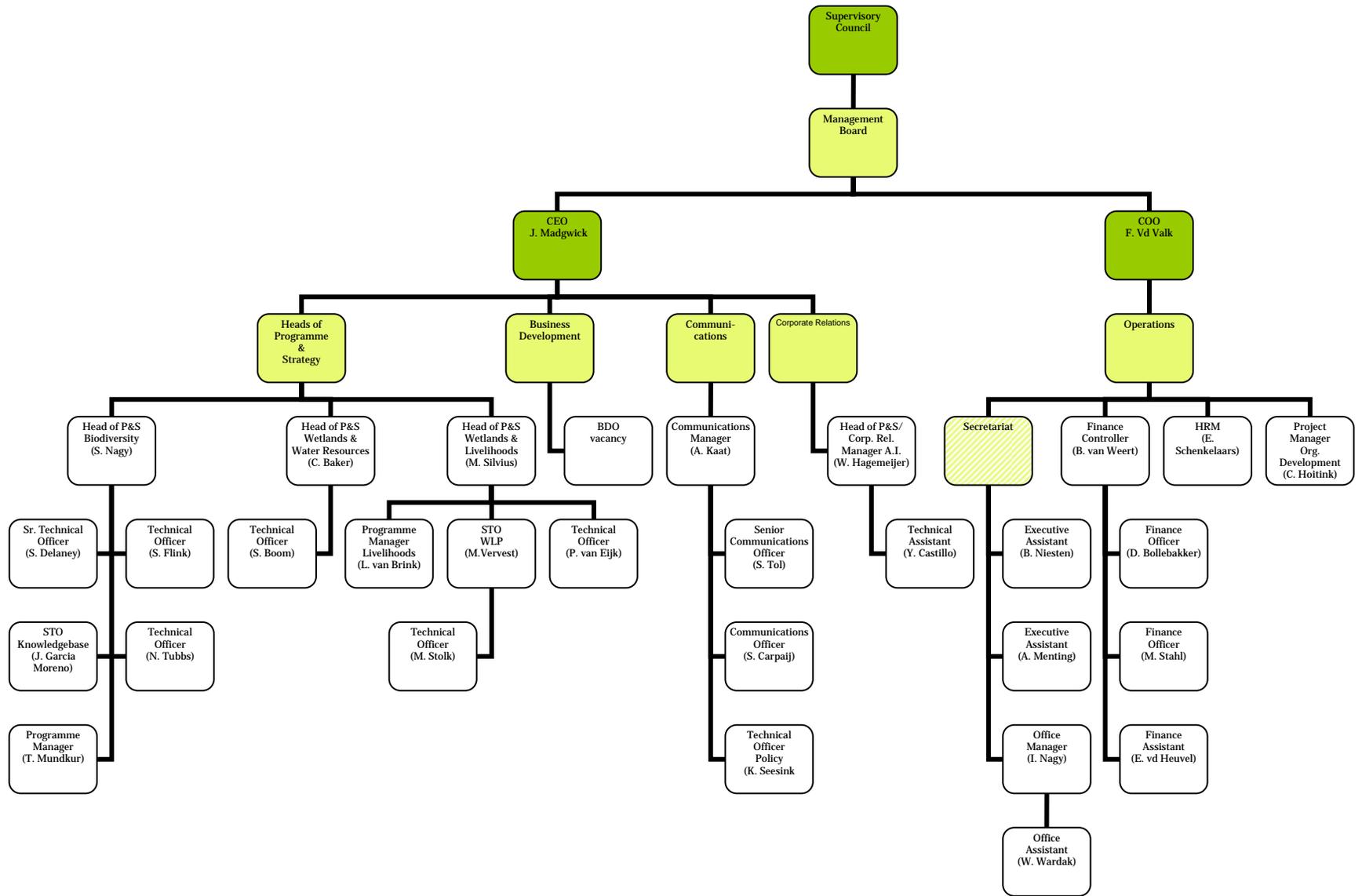
*leadership in wetland conservation and wise use, as a contribution to sustainable development*) remains a challenge that cannot be fully completed in a five year partnership. The review concluded that after an initial phase of dialogue to get to know and understand each other, several important new activities can now come on stream quite soon. It is recommended that all subsequent effort focuses on delivery. The review has been discussed, by the partnership Steering Committee and follow-up actions have been agreed.

The review process equally benefited the development of relationships with the oil and gas sector. There is now a dynamic dialogue with Shell on a wide range of topics that have high relevance to wetlands. By working together we can solve problems and share knowledge and approaches, complementing each other's work. Importantly, the level of trust between the two parties has grown and now Wetlands International is engaged at a very early stage in informing the thinking of Shell on major projects. The tools and approaches that are being developed through the partnership will have a lasting impact on how Shell does business. It is expected that the coming period in the partnership will see strengthened implementation, further collaboration and increasing focus, resulting in stronger and more measurable impact.

2010 marked the agreement and start of the implementation of a project on Organisational Development in order to increase effectiveness and efficiency. Funding from the MAVA Foundation, the Shell partnership and the contribution from the Association are making the required substantial investments possible. These efforts are directed towards the whole global network of Wetlands International offices, led by the headquarters and focusing on optimising strategic leadership; enhancing information management and exchange; strengthening project management, including monitoring and evaluation and increasing resource development capacity.

In terms of policy development, a gender policy was developed and adopted. Wetlands International became a member to the Conservation Initiative on Human Rights, a collective coming together of four conservation organisations (IUCN, CI, WWF and Wetlands International). In this context, Wetlands International signed a Charter expressing the commitment to respect and promote human rights and to put the necessary measures in place to put these principles in practice. Respect of human rights and the aim to contribute to gender equality was added to our core values in the new Strategic Intent 2011 - 2010.

Staff of Wetlands International Head quarters as of December 2010.



## **6 Communications policy in practice**

In line with the communications strategy of Wetlands International; our work in 2010 was focused on serving the group of current stakeholders. At the same time, we invested strongly in connecting with new ones. Last but not least, we successfully ensured our issues were known amongst larger stakeholder groups.

### **Serving our stakeholders**

The current stakeholders include our network of experts, our donors, partners and especially our members were served by regular information such as the annual review, six global newsletters, 40 press releases and especially for the members, all our publications in hard copies.

A major event in 2010 for which we strongly involved our stakeholders was the Convention on Biological Diversity in Nagoya, Japan. This Convention, in the UN year of biodiversity, set the global biodiversity targets for 2010. Aiming for explicit and ambitious targets supporting wetland conservation. We developed a policy brief with a range of NGO-partners in the conservation sector. The brief itself was shared and discussed face to face or online with our governmental member delegates and, just before the COP, with many other delegates and partners.

### **Connecting new groups**

Possibly the biggest step was made in connecting new groups to our organisation. The use of social media (twitter / facebook) is serving hundreds of additional people. A more structured use of our contacts for advocacy at global conventions helps us to develop relations with hundreds of policy makers and professionals in various organisations.

Via our web system, we allow people to provide us with their contact details for receiving newsletters, press releases and – new in 2010 – downloading our publications, enabling longer term relations.

Slowly, we saw an increase in people registering for our newsletters, press releases and social media (total about 7,000 people). Measured through the website; we saw an increase of 144 unique visitors per day compared to 2009; resulting in about 240,000 visitors in the year 2010. Additional to that are the people that visited our information on other sites, such as the 14,000 visitors on our youtube channel.

### **Attention for our issues**

At several moments in 2010, we were able to get global media and online attention for specific issues. The most important issues were our analyses of the peat- and forest fires in Russia and the drought and wetland loss in East Africa. We were also present at the Cancun Climate and Nagoya Biodiversity Summits and the presentation of a joint study on the loss of fresh water biodiversity in Africa. Altogether, this led to coverage by hundreds of online and offline media; reaching out to possibly millions and thus putting our views strongly across on various agendas.

## 7 Resource Development in practice

The main objectives for resource development in 2010 were to:

1. Raise sufficient funds to support implementation of Strategy
2. Achieve balance in unrestricted programmatic and project funding to have flexibility and respond to emerging opportunities
3. Diversify our donor portfolio to enhance financial stability and to minimise vulnerability to changes
4. Improve coordination of marketing and fundraising across the whole organisation

The primary approach to developing resources for the organisation is currently through project development. This is a core part of the responsibility of the heads of Programme and Strategy and Programme Managers, working together with staff from the office network. In the headquarters, dedicated time is made available for these staff and a number of other technical staff to seek and identify project opportunities and to develop proposals for funding. Wetlands International raises funds from institutions only. Proposals are submitted for regular project calls, such as from national governments and the EU. Additionally, Wetlands International benefits from a number of projects that recur over the years according to the needs of Conventions for knowledge products that Wetlands International is specialised to provide.

Additionally, the CEO called for increased coordination amongst the Programme staff in headquarters to agree priorities for resource development, according to our strategic goals and organisational requirements, so as to increase the efficiency and effectiveness of the combined efforts. As a result, key choices were made during the year on how to best allocate the available staff time for this purpose. The opportunity to join a number of alliances under the co-financing programme of the Ministry of Foreign Affairs (MFS 2) was prioritised, since Wetlands International was invited to join four Alliances, each of which offered considerable opportunity to address our strategic priorities in developing countries. A choice was made to enter three of these Alliances and to dedicate a large amount of the available resource development effort in the headquarters to the development of the project proposals together with our alliance partners.

In addition to focusing on the development of these three major, multi-region, five year programmes, Wetlands International carried out a number of other significant resource development initiatives with different donor types, including:

### **Own fundraising - Corporate:**

- Development of major project proposals according to the Shell partnership objectives
- Development of projects under a partnership with Permian, a company specialising in carbon credits generated through tropical forest conservation projects

### **Own fundraising - Trusts and Foundations:**

- Initiating a new relationship with the Adessium Foundation leading to a grant for development of a major applied research programme in Indonesia on the role of mangroves in sustainable coastal management
- Securing resources for implementation of the Organisational Development (OD) Plan, following protracted dialogue with the MAVA Foundation

**Governmental subsidies and Conventions:**

- Development of projects aiming to improve global wetlands knowledge
- Review of resource requirements and stakeholder priorities for waterbird monitoring leading to agreement of a Forward Plan and commitments for more sustainable resourcing of one of Wetlands International's core programmes
- Engagement as a partner in project development in one European Union LIFE project and two multi-partner EU Framework Programme research projects, to commence in 2011

A significant component of the OD Plan concerns increasing our capacity for resource development in future years. The main objectives for the period 2011-2012 are:

- At least half of the offices have independent resource development capacity in line with local needs
- Strategic resource development and donor management is coordinated through a specialized global Wetlands International network, including headquarters and regional staff with dedicated roles and regional networks
- Resource plans, including targets, tasks and responsibilities are available for the organisation as a whole and at least half of the offices, linked to shared strategic programme priorities
- These plans cover the required organizational set-up for the entire network as well as for investments needed for innovation, policy and communications
- Resource development is supported by a dedicated part of the Wetlands International information system
- Resource development achieves (quantitative and qualitative) growth in global income linked to our strategic priorities.

A Resource Development Manager will be employed, responsible to the CEO to lead the organisation's strategic efforts to raise revenues and to develop a robust pipeline of resourcing opportunities. The focus will be on institutional fundraising as opposed to fundraising from the general public, according to the strengths of Wetlands International.

Additionally, steps were taken in 2010 to gain external advice on the suitability of our website to meet donor, member and other stakeholder interests and needs as well as on the organisation visual identity. This led to decisions to upgrade the website and to invest in enhancing the brand of Wetlands International, resulting in a brand statement, capturing the essence of the organisation, which in turn will influence our organisational positioning, behaviours and our visual identity.

## 8 Results

### 8.1 Global wetlands knowledge-base

#### Development of Wetlands International knowledge-base

In 2010 the institution made considerable efforts to improve its ability to synthesise and organise the knowledge it generates and to share it, focusing initially on its internal processes. As a result, there is now an improved awareness of the importance of knowledge across the institution and projects, and knowledge components are being incorporated into new projects.

Knowledge is at the core of Wetlands International: it is the foundation upon which it builds its intervention strategies. There has been a lot of emphasis on the importance of collecting information, synthesising it and reflecting on what has been achieved, thereby expanding the institution's knowledge-base. Issue papers were set up as a point of reference for the entire organisation with up to date knowledge around issues that are relevant for the institutional mission such as the role of coastal wetlands in buffering adverse impacts of natural hazards, disaster risk reduction from inland wetlands, food security from wetland production, and cost-effectiveness of maintaining and restoring wetlands as an adaptation measure against climate change. Local knowledge-bases were built with community participation and incorporated into a broader institutional knowledge-base that supports the institutional policy and advocacy work, particularly through the WLP project:

- A knowledge-base was developed through rapid assessments and collation of existing data on the role of wetlands in food and water security and climate change adaptation in the Mahanadi Delta, in Orissa State, India. This knowledge-base allows the integration of wetland management into water management policy and decision making and supported community-led water management plans for two watersheds within the Mahanadi Delta. It is expected that the access to the knowledge-base and the outcomes of the projects will lead to more effective and systematic investment into an Integrated Water Resources Management approach in the Delta that integrates the role of wetlands; it should also facilitate government agencies to generate more effective policies for strengthening community governance in water management, and for considering natural infrastructure as a component of the climate change adaptation strategies. This knowledge-base also allows the community institutions to manage water resources for different purposes (ecosystems, food security, water security) and facilitates the integration of community values and decision making.
- A knowledge-base was developed with a focus on the links between wetlands and health issues in the Pacific Islands region, including the links between ecological integrity of island river systems and water borne diseases in Fiji (e.g., diarrhoea cases in Fiji are correlated to seasonality in rainfall, water availability and increased temperature), the links between coral reef integrity and protein availability in Madang Lagoon (Papua New Guinea), and a comprehensive database on health, environmental, and development agencies working in the entire region. This has turned the Wetlands International-Oceania office into the only major conservation NGO that is doing cross-disciplinary work in both biodiversity conservation and human health.
- A knowledge-base was developed in Argentina on the impacts of the embankments in the Paraná Delta on water availability and regulation, wetlands, and people's livelihoods, with

the aim to influence key policy makers. The main aim is to work towards a sustainable spatial plan for the delta as facilitated by the development plan for the delta (PIECAS – Plan Integral Estratégico para la Conservación y Uso Sostenible del Delta del Paraná), which resulted in the production of a map of the embankments that is currently used by all stakeholders (including the ministry of Environment and local governments, civil society organisations, knowledge centres, private sector) as the baseline of the PIECAS.

- A socioeconomic and hydrological characterisation of the coastal wetlands of the Rio Paz Basin in Guatemala and El Salvador was started and should serve as a base-line and reference point for any future interventions.

### **Global wetlands information**

Wetlands International continues to manage the [Ramsar Sites Information Service](#) (RSIS) for the Ramsar<sup>1</sup> Secretariat. This service, managed by Wetlands International since 1990, provides access to information on wetlands designated as internationally important under the Convention on Wetlands – commonly known as Ramsar Sites. One of the components of the RSIS is a searchable database that is fully accessible through the internet and includes, for each Ramsar site, information on wetland types, land uses, threats, hydrological values of the sites, and so forth. Other components are the Ramsar Sites Directory, which presents brief descriptions of each site in a standard format, and the graphical profiles, which include a core set of (thematic) maps and graphical analyses such as maps of the world and each region showing the distribution of Contracting Parties Ramsar sites. The service receives over 850 visitors per week.

In 2010, Wetlands International played a key role in the development of a set of 20 indicators that are being collected by the Mediterranean Wetlands Observatory (MWO - [www.medwetlands-obs.org](http://www.medwetlands-obs.org)), a regional initiative involving 27 Mediterranean countries to standardise the monitoring of the status and trends of Mediterranean wetlands, to track the threats to these wetlands and to identify actions to promote their protection, their role in sustainable development and eventual restoration. Wetlands International hosted a group of experts to select a set of indicators to cover the five themes that the observatory is considering, namely biodiversity, ecosystem health and integrity, drivers and pressures of change, integration of environment into development, and ecosystem services.

A consensus is emerging, at least within the global inland waters community, on the need to develop a broad global system to capture wetland knowledge. The year saw the start of an ambitious process in which Wetlands International worked with the Ramsar Scientific and Technical Review Panel to identify the core elements that such a system should have, and then was asked to promote this among stakeholders globally. To this effect, Wetlands International strengthened its relationships with the Group on Earth Observations – Biodiversity Observation Network (GEO-BON) that brings together both government and intergovernmental agencies as well as international organisations such as NASA and ESA, Conservation International, DIVERSITAS, WWF, TNC, CSIR, UNEP-WCMC and many more.

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<sup>1</sup> The Ramsar Convention is an intergovernmental treaty that embodies the commitments of its member countries to maintain the ecological character of their Wetlands of International Importance and to plan for the "wise use", or sustainable use, of all of the wetlands in their territories. Unlike the other global environmental conventions, Ramsar is not affiliated with the United Nations system of Multilateral Environmental Agreements, but it works very closely with the other MEAs and is a full partner among the "biodiversity-related cluster" of treaties and agreements

There is now a critical mass that supports connecting existing organisational observation systems into a global system with information services and decision-support products.

Wetlands International carried out the study “Mitigation, Recovery & Restoration Options: Oil and Gas Industry Impacts on Arctic Wetlands”. It brings together information on arctic wetlands distribution and diversity, the natural and anthropogenic processes in arctic wetlands; their ecosystem functions and values; wetlands ecosystems resistance and resilience; available techniques and best practices for impact avoidance and mitigation and criteria for best practices application. The study was the first of its kind in that all knowledge was brought together providing one reference point. The part describing wetlands diversity in the Arctic has already been accepted by CAFF and the Arctic Council and placed in their background publication on Arctic Biodiversity Assessment. Wetlands International prepared the review text and organised dialogue between conservationists, wetland experts and Shell engineers on Arctic wetlands wise use. The key findings of the review have been used and applied in Wetlands International cooperation with other companies to improve decision making. For example, the plans of two companies actually changed– they moved planned rigs, based on the knowledge obtained from the review, and placed their operations in better positions. Also, the Ramsar STRP guidelines and review on Wetlands and Energy and Wetlands and Extractive Industries will draw on the findings of this work.

During 2010, Wetlands International worked with Shell to develop a number of major project proposals that will contribute to meet the objectives of the partnership strategy:

**Mitigation and Compensation of Wetland Value Loss for Shell Operations in the Athabasca Oil Sands Region Project.** This will result in raised awareness, capacity and information for integrating wetland ecosystem services in oil sand mitigation and compensation efforts.

**Niger Delta Sustainable Livelihoods and Biodiversity Project.** This will demonstrate integrated approaches to livelihoods development and wetland management and influence sustainable development plans, strategies and investments in the delta region. It will include an ecosystem services assessment and valuation component, which will serve as a model approach for Shell elsewhere in the world.

Wetlands International finalised a scoping report on the impacts of **Biofuels** on wetlands and their values and made recommendations to Shell on their energy sector biofuel standards to better integrate wetland values.

Wetlands International worked with Shell to develop proposals for developing **Biodiversity Action Plans** linked with major operations in Iraq and Brunei. These proposals are expected to translate into significant projects during 2011.

There is good progress in the Wetlands Pre-Impact Assessment Tool (WPIAT), jointly developed by technical experts from Wetlands International and Shell and currently being trialled. It is a tool to help identify key sensitivities of different wetland types to activities related to oil or gas development, both environmental and social, and to tackle and flag them. The tool enables these issues to be picked up in Environmental Impact Assessments and enables Shell to access best practice for such situations at an early stage in project development. The WPIAT has been developed within the Shell project cycle management software and it is anticipated to be further developed to become a web-based tool, enabling updates when needed. The tool will produce sensitivity tables by wetland type with the

potential for impact tables related to operation type. It is a practical tool to operationalise this information. Further development is aimed at enabling better use within Shell as well as access by other stakeholders such as oil and gas companies.

*Funded through the Wetlands International – Shell partnership*

## **8.2 Mainstreaming wetlands in sustainable development**

In 2010 Wetlands International worked with local communities, national government and regional and global policy to demonstrate and promote adoption of ecosystem approaches to poverty reduction, climate change adaptation and disaster risk reduction.

2010 was the second and last year of the Wetlands and Livelihoods Project (WLP) in which we worked in 16 countries in Africa, Asia and Latin America to increase the understanding of the role of wetlands in sustaining people's livelihoods, to demonstrate practical solutions to environmental management challenges and to ensure that this knowledge influences the most relevant policies and practices.

In 2010, 11 demonstration projects were implemented, including field activities in wetlands, applied research, building the knowledge base of Wetlands International and key Conventions and informing advocacy. Capacity building and awareness raising focused on civil society, government representatives and journalists and had a special focus on climate change adaptation. Policy dialogues helped to interpret the relevance of local and global policies and the need for sectoral policy adjustment to enable more effective wetland management.

Significant results achieved in 2010 include:

### **Influencing global climate policy**

- Wetlands International played a key role in promoting the importance of wetland conservation and restoration in the framework of climate change mitigation. In previous years we attracted global attention to the enormous greenhouse gas emissions that derive from the degradation of peatlands worldwide. By bringing together the science base on climate change, identifying and targeting drivers like the palm oil and pulp wood plantation industries, by informing relevant NGO climate networks and by informing and lobbying the Parties of UNFCCC, we influenced key policy processes and governments in key peatland countries. It resulted in the integration of wetland and peatland issues in important mechanisms of the UNFCCC (e.g. REDD<sup>2</sup>, LULUCF<sup>3</sup>), the EU- Renewable Energy Directive and the Fuel Quality Directive, and policy processes in the Round Table for Sustainable Palm Oil. In 2010, the UNFCCC adopted 'wetlands' as a new category for reporting under LULUCF.
- Wetlands International participated in the 1st Meeting of the Adaptation Fund Board in Cancun, Mexico, an important body created under the UNFCCC, that makes available funds to national governments for financing climate change adaptation local strategies and projects. A presentation was made to the Fund on Ecosystem-based Adaptation and Strategic Environmental Impact Assessments. As a consequence, revised criteria under the Adaptation Fund now make mention of the role and need for Impact Assessments and they now become a standard element of project proposals for the national funds for climate change adaptation.

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<sup>2</sup> Reducing Emissions from Deforestation and Degradation

<sup>3</sup> Land Use and Land Use Changes and Forestry

- Wetlands International was invited by UNDP to contribute to discussions on the role of gender in climate change adaptation financing. The case studies and information we put forward were noted by several Governments, including Ghana and Germany as key reasons for the Adaptation Fund to try to advance gender issues through adaptation funding mechanisms.
- A key achievement of Wetlands International's advocacy was that the Subsidiary Body for Scientific and Technical Advice of the UNFCCC decided that the Intergovernmental Panel of Climate Change (IPCC) must improve its methodological guidance for wetlands, in particular peatlands. An agreement was reached about a new accounting activity 'Rewetting and Drainage' for the next commitment period of the Kyoto Protocol. This means that countries that ratified the Kyoto Protocol can now choose to reduce their emissions by rewetting drained peatlands. It is expected that in future this becomes a massive incentive both to the public and private sector for conserving and restoring carbon rich wetlands.
- Wetlands International also started a large programme with Permian Capital Ltd (a private company specialising in carbon credits) to identify priority peat swamp forest areas in Indonesia for conservation and rehabilitation under Indonesia's Ecosystem Restoration concession mechanism. Applications were submitted for two areas in Sumatra and Kalimantan covering over 700,000 ha. Investigations for areas of over 1 million ha in Papua commenced. The activities have resulted in an increased awareness among key stakeholder groups on the options for public-private sector cooperation for reducing emissions from degraded peatlands and pledges from key donor countries as well as other investors to make significant investments in peatland conservation and restoration.

#### **Raising global attention to critical wetland issues**

- Wetlands International commissioned SarVision to carry out a study on forest and peatland loss due to palm oil plantations in Malaysia. The report showed that, especially in Sarawak, expansion of oil palm plantations may lead to the complete loss of the unique, carbon rich, peat swamp forests by the end of this decade, due to an expansion of palm oil production in this habitat. The study received extensive coverage in local, regional and international media between the end of 2010 and early 2011. It was mentioned on over 20,000 websites, in Reuters and Associated Press, in important newspapers such as The Telegraph, The Guardian, N.Y. Times, L.A. Times, The Jakarta Post, The Sun Daily (Malaysia), Channels News Asia; in Dutch news papers De Telegraaf, Trouw, in online media: The Huffington Post, Mongabay, Yahoo! News, and also in The Biofuels Digest which is a sector media. The findings of the study and the huge media attention led to for example support for a decision of FinnAir to stop using biofuels and to the setting of a policy agenda on biofuels in Malaysia.

#### **Building capacity for ecosystem-based climate adaptation**

- Wetlands International acted as a catalyst in building capacities at community level for ecosystem-based adaptation to climate change. In total 51 people from local institutions in Africa and Asia were trained as trainers to deliver the training kit on '*Ecosystem and Community Based Climate Change Adaptation*' consisting of 6 different modules and now available in English, Spanish and French. These 51 people undertook in total 7 national training courses in their own institutions, training 145 practitioners from 12 countries in Africa and Asia in knowledge and skills to implement ecosystem based CCA. Agreements have been made or are in final stages to anchor this training in various national institutions. Donors, national governments (for example Panama, Guatemala, Costa Rica)

as well as NGOs (in Kenya and Uganda) are now discussing and planning how to integrate this training program in their own curricula and training programs. Besides these trainings, Wetlands International conducted training sessions with other audiences such as journalists from 16 countries in Africa, policy makers from Guinea-Bissau, Kenya, Malawi, Senegal and Uganda and environmental authorities in Ecuador. In this way, Wetlands International made a big leap in the promotion and acceptance of adaptation to climate change that is ecosystem-based.

- The training kit on Ecosystems and Community Based Climate Change Adaptation was developed and implemented in partnership with key partners such as WWF-US, Conservation International, Oxfam-US, Cooperative program on Water and Climate, PWC, Wageningen University, IWA<sup>4</sup>, UNESCO-IHE and Dutch Commission MER<sup>5</sup>. A document with key lessons learned from the development of the CCA Training Kit by Wetlands International and partners was submitted and accepted by the UNFCCC Secretariat as part of a new publication under the Nairobi Work Program in the areas of education, training and awareness raising.

### **Providing incentives and capacity building for wetland management**

- In Indonesia, the Central Java Provincial Government endorsed a bio-rights approach (a micro-credit approach pioneered by Wetlands International and partners in previous years) in their projects on mangrove restoration in combination with aquaculture. Funding support is committed for 2011. This means that micro-credits will be provided to poor communities for livelihood enhancement in return for their active involvement in the improved management or restoration of the natural environment. Successful outcomes led to the conversion of micro-credits into definite payments (grants), also enabling a rolling investment programme.
- In Kenya, Wetlands International supported local partners that together with a network of local and national stakeholders can now implement activities guided by the widely endorsed Kimana Integrated Wetlands Management Plan, to ensure sustainable and equitable use of the Kimana Wetlands. Key successes of the program in Kenya included the legal registration of a local association (Kimana Wetlands Association) ensuring that a recognised and *bona fide* legal entity can champion sustainable management locally. Both women and youth have a voice in the association ensuring influence on local management decisions. As a result, the project in Kimana was visited by Kenyan parliament members which resulted in follow up on the cross border issues with the East Africa Community National Assembly to strengthen cross border collaboration between Kenya and Tanzania on the shared Kimana Wetlands. Financial support to follow-up on Kimana has been ensured and committed by the local partner, the African Wildlife Foundation.

### **8.3 Integrated Water Resources Management**

Integrated water resources management (IWRM) is critical to maintaining wetland ecosystems. Even though wetlands are often recognised in national, basin and international principles and strategies related to IWRM, this is rarely translated into planning and action. The consequence is that land management decisions, water regulation and infrastructure

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<sup>4</sup> IWA = International Water Association

<sup>5</sup> MER = EIA (Environmental Impact Assessment)

planning and operation do not take the water needs of wetlands into account. This degrades related ecosystem services to people and biodiversity affecting water and food security and health.

Through the Wetlands and Livelihoods Project (WLP) and some other significant projects funded by a variety of European donors, activities related to water resources management were carried out in particular in Mali, India, Senegal, Fiji, Argentina, China and Malawi with further activities conducted at basin and international level. The approach taken was to seek to influence policy and planning related to water resources and wetlands at different scales from local to international. This involved activities in the fields of action research and knowledge synthesis, field demonstration, capacity building and policy.

Significant results achieved in 2010 include:

#### **Influencing national and basin-level policies and strategies**

- The Inner Niger Delta of Mali comprises floodplains that are a lifeline for millions of people, animals and plants. At the invitation of the Malian government Wetlands International participated as a member of the committee reviewing the Sustainable Development Plan for the Inner Niger Delta. Current planning for the Delta includes the intention to increase intensive forms of rice production to meet Mali's food security needs. This requires careful planning if it is not to damage fisheries, grazing and rice cultivation practiced in the Delta which support almost a million people as well as safeguard habitats for globally significant biodiversity. Wetlands International undertook this role, together with partners and in close liaison with government, to ensure that planning for ecosystem service provision goes alongside agricultural development planning.
- A local scale flood prediction tool was developed and successfully tested with local communities in the Inner Niger Delta. The tool is now used amongst others by the governor of Mopti to provide information for taking key decisions related to planting and livestock that concern all farmers, pastoralists and fishermen depending on the delta.
- A report '*Will the Inner Niger Delta shrivel up?*' on the impacts of climate change was completed together with the Dutch consultancy Altenburg and Wymenga. It had technical inputs from Wetlands International and yielded much (international) media attention such as Reliefweb and Reuters' AlertNet. This has stimulated the debate on the balance between the Delta's role supporting local livelihoods and biodiversity and the approach to water resource management to maintain national food security under anticipated climate change.
- Together with the Direction Nationale Hydraulique, the Institute for Public Health and the University of Bamako, Wetlands International established the first data analysis on water quality and health in the Inner Niger Delta to improve understanding of the relationship between water management, public health and wetland management and to inform strategies and actions to reduce the incidence of diseases such as schistosomiasis, diarrhea and malaria. This work was achieved with funding via an EU research programme called Wetwin and co-financing from the Swedish development funding.
- A draft MoU with the Senegal River Basin Organization (OMVS) was developed. This will ultimately enable us to engage directly with this inter-government organisation that is responsible for overseeing river basin management in Senegal, Mauritania and Mali. Existing strategy and action planning related to the Senegal Basin addresses wetlands

predominantly in relation to the biodiversity jewels (protected areas) and overlooks the vitally important services that ecosystems are / can play throughout the basin in relation to food and water security. Through this MoU Wetlands International will seek to influence OMVS planning and actions to take a more ecosystem based approach, building ecosystem services and values into water planning and operation and considering restoration of key areas in the delta area.

- The Mahanadi Basin in the State of Orissa, India, is a vital lifeline for people in what is one of India's poorest regions. It supports the internationally important Chilika lagoon where Wetlands International has long been active. Under WLP, stakeholder led consultations were established to promote community led water resources management and capacity building to strengthen water governance and water use. A knowledge base was produced on the role of wetlands in food, water security and health and effectiveness of community institutions in managing water resources for local livelihoods. A database of 21 representative wetlands was developed and interpreted, including changes in land use pattern, wetland area, inundation, protected and populated areas. Government agencies have since used these results in various policy processes to support integrated water resources management within the Mahanadi Delta region. The role of wetlands is now better considered and integrated into climate change adaptation strategies. A State Wetlands Authority will be formed which will bring all wetland management under a single institution. A key result of this was that the Indian government identified the Mahanadi River basin as a test case in India for integrating wetland ecosystems into river basin management.
- Fiji's rivers are coming under increasing pressure from development such as agriculture and road infrastructure. Under WLP, the first analysis of the relationship between human health and environmental degradation in Fiji's rivers was conducted. This work has culminated in Wetlands International organising an EcoHealth Forum in November 2010, focusing on climate change, food security and eco-health, with support from, amongst others, Fiji Ministry of Health, Department of Environment, University of South Pacific and the Wildlife Conservation Society and with participation from UNICEF, Australian Red Cross and WHO, who committed to fund future EcoHealth forums. This provided a platform for Wetlands International to maintain this engagement in the coming years and seeks to mainstream ecosystem concerns and approaches into public health planning.
- The Paraná River is the fifth largest river in the world and it ends in a long and extensive Delta that empties into the mouth of the Plata basin. The Delta is an important resource for thousands of local people and has enormous biodiversity value. In recent years the Argentinian agricultural sector has focused strongly on the production of commodities such as soya that are displacing more traditional cattle-raising in the Parana Delta. In turn this is driving changes in local water management to drain land, degrading the Delta's services and values. It has even driven large-scale fire and smog problems that have affected Buenos Aires. Under WLP, Wetlands International established a knowledgebase mapping the extent of the water management problem in the Delta and engaged with the government in the development of a new regional development plan (PIECAS) to ensure that it includes the sustainable and wise use of the Delta area.

#### **Influencing global policy fora**

- At the global level, Wetlands International had a strong presence at CBD CoP 10. Wetlands International and an international team and was intensely engaged in policy dialogues leading to 2 key water resource management related achievements. The

Wetlands International recommendation to change text of CBD 'target 14' in such a way that water based ecosystems are mentioned explicitly and that water provision as an essential ecosystem service is recognised was taken up. Also, CBD 'inlands water' program outline was influenced towards giving more attention to the key importance of ecosystems for water availability & regulation. Further, Wetlands International contributed to the NGO position paper on fresh water at CBD CoP 10 by producing a brochure titled "*Biodiversity loss and the global water crisis; a fact book on the links between biodiversity and water security*".

- As part of WLP, Wetlands International contributed to the inter-sectoral dialogue on water at Stockholm World Water Week, 2010 through a seminar on '*decision making on river basin infrastructures*' comprising a series of case studies delivered by water and wetland management practitioners, NGO's and research focused organisations on innovative and existing approaches to bringing wetlands into water resource management. A panel discussion lead by the Head of Policy and Programmes at the World Water Council identified the key issues in relation to bringing these solutions into mainstream use. This theme is now set to continue with Wetlands International leading preparations for one of the 12 priority themes for the 6<sup>th</sup> World Water Forum (to be held in Marseille, France in 2012) that is focusing on the quality of ecosystems and water management. Wetlands International's Africa Programme followed a similar approach to this during their first attendance at the African Water Week.

### **Building capacity for integrating wetlands into water resource management**

Sustainable use of wetlands in the Southern and Eastern Mediterranean is a significant challenge when set against a background of scarce water resources, growing and increasingly urban population and uncertainties related to climate change. Although national scale policy often refers to integrated approaches, consultation and engagement, communities that need and use wetlands are therefore unable to engage with and influence water planning and management decision making. With support from the Canadian International Development Agency (CIDA), Wetlands International initiated a programme (*Capacity Building for sustainable management of wetlands and water resources in the Southern and Eastern Mediterranean*) to facilitate improved connection between these communities and the responsible government agencies. A new project office was established in the Tour du Valat biological station in the Camargue and we facilitated national scale pilot projects in Jordan, Morocco and Tunisia. In 2010 pilot project implementation was fully underway. The pilots demonstrate various practical and policy related practices and tools relevant to the integration of wetlands in water management. At the national scale, platforms have been established between civil society and government actors to engage in dialogue on water resource management issues related to wetlands.

Water management including related agricultural practices have been responsible for the degradation of many Ukrainian wetlands and their unique biodiversity. Integrated approaches are slowly being developed at the basin level that includes the concerns of major water users. Through a pilot project in the South Bug Basin (*Towards integrating wetland biodiversity conservation with water and agricultural management in Ukraine. A pilot project in the South Bug River Basin*), Wetlands International initiated the development of an approach that promoted the integration of wetland biodiversity concerns into water management. A Strategic Action Plan (SAP) was developed linking ecological networks to river basin management, establishment of protected areas, public awareness raising and production of information

resources. The Southern Bug basin council together with other stakeholders have agreed to use this plan.

Over the last few years Wetlands International has taken steps to engage with the water supply, sanitation and hygiene (WASH) sector. WASH development activities focus on delivery of 'taps and toilets' often without adequately taking into account the consequences for the water source (often wetlands) or the destination for waste and wastewater produced (often wetlands again). In 2010 Wetlands International cemented a 5 year partnership with the Dutch WASH Alliance funded by the Dutch Ministry of Foreign Affairs. Wetlands International now has the opportunity to influence WASH partners' through capacity building and advocacy at international and national levels supported by demonstrations in Bangladesh, Mali and Uganda. Underpinning this work, a joint publication with WASH partners was completed explaining how WASH and wetland service provision are connected, why these linkages are vital and how they can be better managed has been published and disseminated.

### **Coastal zone management**

Mangroves are important ecosystems for coastal protection, for fisheries and for carbon sequestration, and are vital for the livelihoods of coastal communities. The mangroves of the western half of West Africa are threatened by many human activities, such as shifting agriculture, infrastructure developments, salt production, fish smoking and unsustainable timber harvesting. In order to diminish the pressure on mangroves from cutting for fire wood, we have built more efficient ovens for fish smoking in Bissau. A management committee was established with strong roles for women's groups. Together with the fishermen they also oversee the decrease in cutting of mangroves. These improved ovens also have a positive impact on security (reducing fire hazards in the villages) and on health (avoiding smoke inhalation). These stoves are already being replicated by other organisations in neighbouring country Guinea-Conakry.

The project was successful in facilitating the formulation of national action plans which form part of a sub regional Mangrove Charter that was signed in May and June 2010 by all six countries (Mauritania, Senegal, Gambia, Guinea-Bissau, Guinea-Conakry and Sierra Leone). The Mangrove Charter features country-specific action plans with detailed activities to be undertaken to restore the mangrove ecosystem in the coming years. The Charter now needs to be ratified by the parliaments of the six states.

Project: Coastal Wetland Mangrove Initiative, MAVA foundation

## **8.4 Biodiversity and ecological networks**

### **Improved information base for waterbird conservation in the African-Eurasian Flyway**

In mid 2010 Wetlands International, BirdLife International and the UNEP World Conservation Monitoring Centre jointly launched the Critical Site Network Tool (<http://dev.unep-wcmc.org/csn/default.html>) under the framework of the Wings over Wetlands (WoW) project. The AEWA Technical Committee and the Ramsar Scientific and Technical Review Panel both endorsed this CSN Tool. The CSN Tool integrates species and site related information from Wetlands International's International Waterbird Census (IWC) database and Waterbird Population Estimates dataset, from BirdLife International's World Bird Database, from the Ramsar Site Information System and from UNEP-WCMC's World Database on Protected Areas and presents them in an international context. This is the first time that count data and information on the key sites for waterbirds have been brought together into a single web

portal. Using the portal, site managers will be able to identify in a few minutes the international significance of the populations on their sites and get access to the summary of their ecological requirements which will assist their management decisions. By having access to the IWC data beyond their site, they will also be able to understand the context of the changes on their site. The CSN Tool also supports national authorities to comply with the requirements of international environmental agreements such as the African-Eurasian Migratory Waterbird Agreement or the Ramsar Convention on Wetlands. In addition, the CSN Tool will support international coordination along the African-Eurasian Flyway by enabling the production of flyway level overviews both at the level of a single population or across the network of critical sites. Amongst others, the CSN Tool makes it possible to produce a review of the protection of internationally important sites, one of the key reports government parties would need to identify gaps in the network, which was not possible to produce without the CSN Tool. The project has also developed a state-of-the-art flyway training kit using the Training of Trainers model. Regional training programmes were already implemented in the Middle East, West Africa and Central Asia. The topic has been integrated into the curricula of the Ecology Department of Taif University in Saudi Arabia, while the Kuwait Environment Protection Society (KEPS) expressed strong interest to do the same. This is giving a major boost to the understanding of the flyway approach to the conservation of migratory waterbirds in those areas. Since its launch, the portal has been visited by 2,765 people.

### **Reinvigorating the International Waterbird Census (IWC)**

The IWC is the oldest and most extensive global biodiversity monitoring scheme covering more than 10,000 sites from over 100 countries that forms the basis of assessing the status of the majority of waterbird species and provides contextual information for national and international decision making processes related to their conservation and sustainable use. In 2010, Wetlands International has performed an external review of stakeholders expectations and satisfaction with the scheme and also of the skills and processes necessary to meet the expectations. The review has confirmed the need for the scheme and helped Wetlands International to develop resourcing priorities and a more efficient system for its management.

### **New indicator developed for the World's waterbirds**

Wetlands International presented the State of the World's Waterbirds 2010 publication at the Conference of the Parties to the Convention on Biological Diversity (CBD) in 2010. The publication was launched by the Deputy Secretary General of Ramsar Convention, preceded by a press conference broadcast live to the meeting in Japan and worldwide through the web. Valuable support for the publication came from the Ministry of the Environment of Japan that was also involved in the launch. The publication has been greatly appreciated, as it succinctly and graphically brings together information on the status of waterbirds, threats and conservation challenges and of key initiatives and conventions. The publication presents the first ever synthesis of the four editions of the Waterbird Population Estimates, produced since 1992, summarising the changes in the population trends of waterbirds populations in a Waterbird Indicator. The indicator is a measurement of progress towards the CBD target of significantly reducing the loss of biodiversity and the related indicators of effectiveness of the Ramsar Convention. One of the key findings of the analysis is that the overall status of waterbird populations is improving in regions where strong conservation and wise use measures are implemented (i.e. in North America and in Europe) while declining elsewhere. The results also highlight the importance of the flyway approach.

*Project: State of the World's Waterbirds*

### **Creating new partnerships along the flyway for the recovery of the Bewick's Swan population wintering in Northwest Europe**

The project "The Long Journey: Practical demonstration of the flyway approach" was jointly developed by the Land Management Service (DLG) of the Dutch Ministry of Agriculture, Fisheries and Nature Management<sup>6</sup> and Wetlands International. The Bewick's Swan population wintering in Northwest Europe has suffered a more than 60% decline since the mid-1990s. In 2010, the project has produced a consultation draft of an AEWA Single Species Action Plan based on the results of an international planning workshop held in 2009. The action plan identifies the main threats and priority actions to be addressed by range states along the flyway from the breeding grounds in Russia through the stop over sites in the White Sea and Baltic regions and in the wintering areas in Northwest Europe. The project has also demonstrated how the actions identified in the action plan can be translated into concrete management decisions through integrating them into the management plans of the Bezerovskye Island. In addition, the project has established close collaboration between Russian and Dutch site managers along the flyway forming a basis for the implementation of the action plan.

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<sup>6</sup> Now: Ministry of Economic Affairs, Agriculture and Innovation

## **9 Main expected developments in 2011**

2011 will start with the challenge to balance expenditure and income, some reduction in staff is anticipated. There is however full confidence that this balance will be achieved. This does show the need for increasing efforts in resource development, to which end a dedicated senior staff member will be appointed. 2011 will also be a year of some important programmatic developments as it will be the first year to start the implementation of the new Strategic Intent 2011-2020 as well as of three programmes funded by Dutch development cooperation ("MFS-II"): Partners for Resilience, the Ecosystem Alliance and WASH. In 2011 also the application for the Seal of Approval will be submitted to the CBF (Dutch Central Bureau for Fundraising). The budget for 2011 is presented below in conjunction with the Annual Accounts.

### Introduction

The Management Board and Supervisory Council of the Foundation Wetlands International decided to comply with the Dutch "Code Wijffels" for Good Governance of Charities and to apply for the CBF (Dutch Central Bureau for Fundraising) Seal of Approval in 2011. As regards financial reporting, this requires that the foundation complies with the Dutch accounting guideline for fundraising organizations RJ 650 (Richtlijn 650). These are WI's first annual accounts following this Guideline. As a consequence, the accounts for 2009 are reported hereunder after conversion into the same new format, in order to ensure comparability with the 2010 figures. This change in reporting format did not alter the financial result or balance position for 2009.

The financial position of the Foundation is reasonable with a (very near) break-even in 2010 and bearing in mind that according to the financial reserves policy of Wetlands International Foundation and Association (Annex 6), the continuity reserve is mainly held in the Association's account. The current account of the Foundation with the Association, set-up because of large relocation expenses in 2008, is steadily diminishing.

The accounts show the total expenses for each of the organisation's four main objectives, for which the results have been described above. In total, 84.5 % of the total income (and of the expenses) was spent on the objectives. The project volume spent on the objectives increased by 14 % compared to 2009.

Costs of own fundraising were 5.5 % of the income from own fundraising, clearly below the maximum target of 7%. As Wetlands International doesn't raise funds from the general public, this refers to the costs of obtaining funds from private foundations and the corporate sector. Income from own fundraising was less than budgeted as a result of some significant proposals not being successful. Both in terms of efforts required and of income gained, governmental subsidies are, however considerably larger. In this field, extra projects were obtained resulting in a significantly higher project volume than budgeted.

As regards the costs of Management and Administration (M&A), these are the first accounts reporting these according to the RJ650 Guideline. To this end, the additional guideline of the VFI is used<sup>7</sup>. As a first target for M&A costs these were set at 8.4% for 2011, on the basis of an estimation made during 2010. Following the guideline mentioned, this now appears to be an underestimation, as both 2009 and 2010 showed figures between 10.5 and 11.5 %. These costs will therefore be carefully monitored in 2011.

Salaries of all staff, including the Management Board, fit in the WI salary scale system, based upon a benchmark study of study of similar organisations done in 2008. For the members of the Management Board these fall within the guidelines of the VFI and the limit set by the Dutch Ministry of Foreign Affairs for grant receiving organisations.

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<sup>7</sup> Aanbeveling Toepassing van Richtlijn 650 voor Kosten Beheer en Administratie, VFI 2008.

# Annual Accounts Foundation Wetlands International 2010

## Balance Sheet as per 31 December in Euros

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Tangible fixed assets (1)	410,466	361,563
Debtors and other receivables (2)	1,126,980	683,676
Cash and banks (3)	<u>588,105</u>	<u>1,343,033</u>
	<u>1,715,086</u>	<u>2,026,709</u>
Total assets	<u><u>2,125,552</u></u>	<u><u>2,388,272</u></u>
<b>LIABILITIES</b>		
Continuity reserve (4)	325,622	325,695
Provisions (5)	0	62,000
Short-term debts (6)	<u>1,799,929</u>	<u>2,000,577</u>
Total liabilities	<u><u>2,125,552</u></u>	<u><u>2,388,272</u></u>

Explanatory notes start on page 36.

## Statement of Income and Expenditure Foundation Wetlands International in Euros

	2010	Budget 2010	2009
<b>Income</b>			
- Income from own fundraising (7)	1,788,251	1,400,000	1,339,050
- Income from third-party campaigns (8)	6,189	0	0
- Governmental grants (9)	5,469,614	4,055,000	5,008,695
Other income (10)	64,002	75,000	72,375
Total revenue	<u>7,328,056</u>	<u>5,530,000</u>	<u>6,420,120</u>
<b>EXPENSES</b>			
Expenses on objectives (11)			
1 - Global wetlands knowledge-base	1,014,155		
2 - Sustainable development	1,735,471		
3 - Integrated water resources management	1,446,380		
4 - Biodiversity and ecological networks	<u>1,999,048</u>		
	6,195,055	4,610,000	5,411,197
Costs of generating funds (11)			
- Costs of fundraising	99,090	95,000	93,338
- Costs of obtaining government grants	<u>209,237</u>	<u>200,000</u>	<u>129,329</u>
	308,327	295,000	222,667
Management and administration (11)			
- Costs of management and administration	<u>824,747</u>	<u>584,000</u>	<u>678,287</u>
Total expenses	<u>7,328,128</u>	<u>5,489,000</u>	<u>6,312,151</u>
Result	<u>-72</u>	<u>41,000</u>	<u>107,969</u>
Increase continuity reserve	<u>-72</u>	<u>41,000</u>	<u>107,969</u>
	<u>-72</u>	<u>41,000</u>	<u>107,969</u>
<b>Percentages:</b>			
- Percentage costs of fundraising	5.5%	6.8%	7.0%
(Costs of fundraising in percentage of income fundraising)			
- Percentage costs of Management and administration	11.3%	10.6%	10.7%
(Costs of management and administration in percentage of total expenses)			
- Percentage of revenue spent on objectives	84.5%	83.4%	84.3%
(Expenses on objectives in percentage of total revenue)			
- Percentage of expenditure spent on objectives	84.5%	84.0%	85.7%
(Expenses on objectives in percentage of total expenditure)			

## Cashflow Statement Wetlands International in Euros

	2010	2009
<b>Cash flow from operating activities</b>		
Result	-72	107,969
- Depreciation	<u>117,240</u>	<u>91,556</u>
Cash flow	117,168	199,525
Changes in workcapital		
- Change in receivables	-443,304	2,446,331
- Change in short-term debts	<u>-200,648</u>	<u>-3,428,619</u>
	-643,952	-982,288
- Change in continuity reserve		
- Change in provisions	<u>-62,000</u>	<u>-88,000</u>
Cash flow from operating activities	-588,784	-870,763
<b>Cashflow from investing activities</b>		
Investments fixed assets	<u>-166,143</u>	<u>-83,117</u>
Cash flow from investing activities	-166,143	-83,117
Change in cash	<u><u>-754,928</u></u>	<u><u>-953,880</u></u>
Cash and banks 1 January	1,343,033	2,296,913
Cash and banks 31 December	<u>588,105</u>	<u>1,343,033</u>
Change in Cash and banks	<u><u>-754,928</u></u>	<u><u>-953,880</u></u>

## General Accounting Principles

The financial statements are prepared according to the following principles:

### General

The annual accounts 2010 have been drawn up according to generally accepted accounting principles in the Netherlands and RJ 650 for Fundraising organisations.

Assets and liabilities in the balance sheet are valued at nominal value.

Cash and bank balances are freely disposable, unless stated otherwise.

Transactions in foreign currencies are recorded using the rate of the transaction. Assets and liabilities denominated in foreign currency are converted at the exchange rate at the year-end.

Income and expenditure is accounted for in the year the obligations are related to.

Costs are determined in accordance with the accounting policies applied to the balance sheet.

During the course of long-term projects (project period of more than 1 year) advance payments to subcontractors are included in project costs. Loss on projects is taken upon recognition. At the end of the related project period all projects are settled against actual costs in accordance with the contract of the related donor.

### Provisions

The company had provisions formed for project contingencies and employee benefits reorganization costs.

### Project income

This represents project income recognized in the year for work completed and services delivered.

### Project costs

These are the direct project costs incurred in respect of project income recognized.

### Deferred project income

This relates to project advances received or to be received that are deferred from an income statement perspective, taking into account any necessary provision for losses on projects.

### Joint operating agreements with local Wetlands organisations

Relating the execution of global/international projects financed by its donors, the Dutch based Foundation Wetlands International is often cooperating with local Wetlands organizations. In case Foundation Wetlands International acts as the main contractor of a donor, cash amounts are transferred (under the terms and conditions of the donor) by the Foundation towards these local Wetlands organisations. This cash flow and all related project income and expenses are fully recorded in the annual accounts of Foundation Wetlands International, including the expenses paid by the local Wetlands organisations. The aforementioned local Wetlands organizations also have their own locally obtained and financed activities, without concern of the Dutch Foundation. Foundation Wetlands International has no legal obligations relating these local projects obtained by the local Wetlands organizations.

From a practical point of view the Dutch based Foundation Wetlands International can be qualified as the 'franchisor' of the local Wetlands organizations (the 'franchisees').

### Use of estimations

During the process of compiling the annual accounts the management of the organisation makes, in accordance with general accepted accounting policies, some estimations and assumptions which are contributory to the included amounts. The actual results can deviate from these estimations.

### Pensions

Pension obligations are valued according to the "valuation to pension fund approach". This approach accounts for the contribution payable to the pension provider as an expense in the statement of revenue and expenditure.

Based on the administration agreement it is assessed whether and, if so, which obligations exist in addition to the payment of the annual contribution due to the pension provider as at balance sheet date. These additional obligations, including any obligations from recovery plans of the pension provider, result in expenses for the foundation and are included in a provision on the balance sheet.

With final salary pension plans an obligation (provision) for (upcoming) past service is included if future salary increases have already defined as at balance sheet date.

Accounting principles for the different elements of balance sheet and statement of income and expenditure are explained in the notes.

## Explanatory Notes to the Balance Sheet As per 31 December in Euros

### Tangible fixed assets (1)

	<u>Furniture</u>	<u>Computers</u>	<u>Equipment</u>	<u>Total</u>
Purchase value				
Balance 1 January 2010	363,337	142,631	36,834	542,802
Purchased	<u>166,143</u>	<u>0</u>	<u>0</u>	<u>166,142</u>
Balance 31 December 2010	529,480	142,631	36,834	708,944
Depreciation				
Balance 1 January 2010	76,858	91,587	12,794	181,239
Depreciation	<u>97,938</u>	<u>13,255</u>	<u>6,046</u>	<u>117,239</u>
Balance 31 December 2010	174,796	104,842	18,840	298,478
Bookvalue 31 December 2010	<u><u>354,684</u></u>	<u><u>37,789</u></u>	<u><u>17,994</u></u>	<u><u>410,466</u></u>

Fixed assets are used for office operations. The other assets are largely for direct use for the foundation's goals and to a small extent for office operations. The Foundation does not hold any shares, bonds or other assets for reasons of financial investment.

The investment in furniture relates to the new wing of the office (meeting rooms).

The tangible fixed assets are valued on the basis of the historic costs price or acquisition value, decreased by linear depreciation on the expected term. For office equipment and investments on the building the depreciation is 20 percent per period, while for hardware and software the depreciation is 33 percent per period.

### Debtors and other receivables (2)

	<u>31-12-2010</u>	<u>31-12-2009</u>
Debtors	82,970	70,624
Doubtful debtors	<u>-16,654</u>	<u>0</u>
Total debtors	66,316	70,624
Project funds to be received	845,306	505,007
Other receivables	<u>215,358</u>	<u>108,045</u>
	<u><u>1,126,980</u></u>	<u><u>683,676</u></u>

### Cash and banks (3)

	<u>31-12-2010</u>	<u>31-12-2009</u>
Current account	108,778	941,475
GBP account	4,436	1,998
USD account	123,308	203,666
Argentina accounts	2,380	2,329
Deposit accounts	319,606	164,454
Deposit for 3 months rents	<u>29,598</u>	<u>29,111</u>
	<u><u>588,105</u></u>	<u><u>1,343,033</u></u>

Foreign currency accounts are related to projects funded in foreign currency

The balance of liquid assets in foreign currencies is valued at the closing rate at the end of the financial year.

Any exchange rate differences are accounted for in the result.

#### Continuity reserve (4)

	<u>31-12-2010</u>	<u>31-12-2009</u>
Balance 1 January	325,695	217,726
Result	-72	107,969
Balance 31 December	<u>325,623</u>	<u>325,695</u>

The result in the Foundation's annual account is added to/subtracted from the continuity reserve.  
See annex for the reserve policy.

#### Provisions (5)

	<u>Projects</u>	<u>Reorganization</u>	<u>Total 2010</u>	<u>Total 2009</u>
Balance 1 January	50,000	12,000	62,000	150,000
Additions	0	0	0	12,000
Withdrawals	-50,000	-12,000	-62,000	-100,000
Balance 31 December	<u>0</u>	<u>0</u>	<u>0</u>	<u>62,000</u>

The provision of € 50.000,- was made and used for the finalisation of the Greencoast project.  
€ 12.000,- was related to staff redundancy.

#### Short-term debts (6)

	<u>31-12-2010</u>	<u>31-12-2009</u>
Projects to be executed	784,223	1,122,602
Subcontract commitments	357,226	
Current account with Association Wetlands Int.	167,356	329,346
Trade creditors	170,767	113,255
Argentina funds	2,382	2,350
Taxation and social security	49,713	50,225
Holiday allowance	64,762	69,882
Unused annual leave	56,086	61,662
Other short-term debts	147,415	251,257
	<u>1,799,929</u>	<u>2,000,577</u>

Projects to be executed relates to funds received from donors for projects still to be executed.  
For specification see projects overview.

Subcontract commitments are contracted amounts due to subcontractors for the execution of projects.

Current account with Association Wetlands International

Transactions with the Association are processed through the current account with Association Wetlands International.  
Any advance financing provided by the Association to the Foundation is reflected through this account,  
and the balance is cleared regularly through bank transfers.

The current account with the Association Wetlands is gradually decreasing because of repayment  
of the relocation investments made at the end of 2008.

There is no interest on this account, neither any securities or repayment obligations related.

Some of the activities of WI-Argentina are contracted through the Foundation Wetlands International.  
For the purpose of these activities the foundation holds a dedicated bank account (see note 3).

Holiday allowance: this represents the reservation of holiday allowances built up in 2010  
and which are to be paid in May 2011.

Unused annual leave: the outstanding liability regarding unused holiday of staff.

## Explanatory Notes to the Statement of Income and Expenditure In Euros

### Income from own fundraising (7)

	<u>2010</u>	<u>2009</u>
Project income non-government institutions	1,779,877	1,335,077
Sale publications	8,374	2,923
Gifts and donations	0	1,050
	<u>1,788,251</u>	<u>1,339,050</u>

Project income is specified in the projects overview.

### Revenue activities third parties (8)

	<u>2010</u>	<u>2009</u>
	6,189	
	<u>6,189</u>	<u>0</u>

This represents a grant received from IUCN-NL (part of a NPL project).

### Governmental grants (9)

	<u>2010</u>	<u>2009</u>
Project income governmental institutions	5,059,614	4,553,695
Contribution LNV	50,000	50,000
Contribution from Association Wetlands Int.	360,000	405,000
	<u>5,469,614</u>	<u>5,008,695</u>

Contribution LNV stems from the dedicated multi-annual contribution from the Dutch Ministry of Agriculture Nature and Food Quality (now Ministry of Economic Affairs, Agriculture and Innovation) for the relocation to the new office.

Because income of the Association largely stems from Government contributions this is included in Governmental grants. Project income is specified in the projects overview.

### Other Income (10)

	<u>2010</u>	<u>2009</u>
Contributions from other WI Offices	46,631	
Interest income	467	36,636
Result on exchange rates	16,904	35,739
	<u>64,002</u>	<u>72,375</u>

The Foundation does not hold any risk incurring investments. Next to the current bankaccounts only general interest bank deposits are held.

**Specification and allocation of costs by objective in Euros (11)**

Purpose	Objective				Generating funds			Management & Administration	Actual 2010	Budget 2010	Actual 2009
	Global wetlands knowledge-base	Sustainable Development	IWRM	Biodiversity, Ecological Networks	Own Fundraising	Government Grants	Interest Costs				
Expenses											
Purchases and acquisitions	20,032	20,008	8,559	19,639				1,499	69,738	50,000	82,183
Subcontractors	597,149	1,181,095	1,088,317	1,365,682				135	4,232,378	2,184,000	2,713,289
Publicity and communication	13,142	19,632	19,100	24,601					76,474	65,000	30,767
Personell costs	245,325	307,890	196,740	369,363	77,374	147,431		535,869	1,879,991	1,850,000	2,085,870
Travelling and hotel expenses	57,455	90,730	66,536	103,387	3,499	9,960	0	52,408	383,977	350,000	173,171
Housing costs	16,757	21,030	13,438	25,229	5,571	15,855		60,264	158,144	140,000	154,796
Office and general expenses	51,872	79,495	43,727	72,442	8,516	24,238		132,159	412,449	750,000	980,519
Depreciation and interest	12,423	15,591	9,962	18,704	4,130	11,754		42,413	114,976	100,000	91,556
<b>Total</b>	<b>1,014,155</b>	<b>1,735,471</b>	<b>1,446,380</b>	<b>1,999,048</b>	<b>99,090</b>	<b>209,237</b>	<b>0</b>	<b>824,747</b>	<b>7,328,128</b>	<b>5,489,000</b>	<b>6,312,151</b>

Wetlands International works on 4 objectives. As regards the accounting of non-direct support costs, including depreciation, WI applies the guideline of the VFI.

("Aanbeveling Toepassing van Richtlijn 650 voor Kosten Beheer en Administratie")

Indirect costs are attributed to the four objectives pro rata of the staff time spent.

## Employee costs

	<u>2010</u>	<u>2009</u>
Wages and salaries	1,510,482	1,590,354
Social security costs	153,272	149,627
Pension costs	<u>78,209</u>	<u>85,568</u>
	1,741,963	1,825,548
Other personell costs	30,452	91,864
External staff	<u>107,576</u>	<u>178,844</u>
Social security costs	<u><u>1,879,991</u></u>	<u><u>2,096,257</u></u>

## Additional information regarding employees and directors per:

	<u>31-12-2010</u>	<u>31-12-2009</u>
Personell: number of employees	32	33
Personell: fte	29.2	30.1

### Directors salaries

On 31 December 2010, the Management Board consisted of:

Jane Madgwick (total annual remuneration including vacation allowance: € 109,835, reimbursement of expenses: € 4,274 pension premiums: € 5,391 total: € 119,338,.  
Full-time contract (36 hrs/week)

Frank van der Valk (total annual remuneration including vacation allowance: € 83,992, reimbursement of expenses: € 7,524, pension premiums: € 7,239, total: € 98,755,.  
Full-time contract (36 hrs/week)

There are no loans, advances or guarantees outstanding for either of the MB members.

Salaries of all staff, including the Management Board, fit in the WI salary scale system, based upon a benchmark study of similar organisations done in 2008.

Supervisory Council members receive no remuneration.  
They received reimbursement of costs for a total of € 15,383.

### Contingent liabilities and commitments:

As at the balance sheet date there are three contracts known to the Board:

- 1a. Contract for office rent until 31-05-2014
- 1b. Contract for office rent until 31-05-2014
2. Contract for copying machine until 01-01-2014

In relation to the office rent, a bank guarantee of € 35,000 is held.

## Budget 2011

	2011	2010
<b>Income</b>		
- Income from own fundraising	2,050,000	1,400,000
- Income from third-party campaigns	15,000	0
- Governmental subsidies	4,195,000	4,055,000
Other income	<u>55,000</u>	<u>75,000</u>
Total revenue	6,315,000	5,530,000
<b>EXPENSES</b>		
Expenses on objectives		
- Global wetlands knowledge-base	920,000	
- Sustainable development	1,950,000	
- Integrated water resources management	1,800,000	
- Biodiversity and ecological networks	<u>820,000</u>	
	5,490,000	4,610,000
Costs of generating funds		
- Costs of fundraising	95,000	95,000
- Costs of obtaining government grants	200,000	200,000
	295,000	295,000
Management and administration		
- Costs of management and administration	<u>530,000</u>	<u>584,000</u>
Total expenses	<u>6,315,000</u>	<u>5,489,000</u>
Result	<u>0</u>	<u>41,000</u>
Increase continuity reserve	<u>0</u>	<u>41,000</u>
	<u>0</u>	<u>41,000</u>
<b>Percentages:</b>		
- Percentage costs of fundraising (Costs of fundraising in percentage of income fundraising)	4.6%	6.8%
- Percentage costs of Management and administration (Costs of management and administration in percentage of total expenses)	8.4%	10.6%
- Percentage of revenue spent on objectives (Expenses on objectives in percentage of total revenue)	86.9%	83.4%
- Percentage of expenditure spent on objectives (Expenses on objectives in percentage of total expenditure)	86.9%	84.0%

**11 Auditor's Statement**

## INDEPENDENT AUDITOR'S REPORT

To: the Board and Supervisory Council of Foundation Wetlands International

### Report on the financial statements

We have audited the accompanying financial statements 2010 of Foundation Wetlands International, Wageningen, which comprise the balance sheet as at December 31, 2010, the statement of income and expenditure for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

#### *Management's responsibility*

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management board report, both in accordance with Guideline for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

#### *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 Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 internal control 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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 with respect to the financial statements*

In our opinion, the financial statements give a true and fair view of the financial position of Foundation Wetlands International as at December 31, 2010 and of its result for the year then ended in accordance with Guideline for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board.

As a part of the audit of the financial statements for 2010, we monitored the MFS program. This audit was conducted in accordance with generally accepted auditing standards. On behalf of the Dutch Ministry of Foreign Affairs, we state that the financial statements provide the required insight into the implementation of the MFS program. In carrying out this audit, the issues as mentioned in the Financial Regulation (Annex 3 of the subsidy) are involved. We believe that the expenditures shown in the financial statements comply with the requirements of legality as laid down in the Financial Regulation. Furthermore, observations on this audit are recorded in our report of findings.

Ede, 27 June 2011

BDO Audit & Assurance B.V.  
on its behalf,

J.C. Lankhuijzen RA

sgd

## Annex 1 Supervisory Council, Board of Association and Management Board

As per 31 December 2010, the Supervisory Council of the Foundation and the Board of the Association of Wetlands International had the following members:

Members	Supervisory Council	Board of Association	Main position	Other positions
Ms Gordana Beltram	Chair, Chair of the Nominations Committee <i>Retirement: June 2011</i>	Chair	Director, Skocjan Regional Parc, Slovenia	
Mr Bruce Mahin	Chair of the Finance and Operations Committee <i>Retirement: Nov 2010</i>	Treasurer	retired	Treasurer, Board of Directors, Drugs for Neglected Diseases Initiative (DNDI), Switzerland
Mr Baz Hughes	Acting Chair of the Finance and Operations Committee <i>Retirement: June 2011</i>	Acting Treasurer	Head of Species Conservation, WWT, UK	Chair, Threatened Waterfowl Specialist Group
Mr Paul Mafabi	Chair of the Research and Programme development Committee <i>Retirement: Feb 2011</i>	5th member of the Executive Board	Commissioner, Ministry of Water and Environment, Uganda	-
Mr Cees van Woerkum	Chair of the Resource Devpt and Communic Committee <i>Retirement: Feb 2011</i>	Member	Head, Section on Communication Science, Wageningen University, the Netherlands	-
Mr Sergio Lasso Barreto	Member <i>Retirement: Feb 2011</i>	Secretary	Ministry of Environment, Ecuador	-
Mr Idrissa Doucoure	Member <i>Retirement: Nov 2016</i>	Member	Chief Executive Officer, CREPA, Burkina Faso	-
Mr Siddarth Kaul	Member <i>Retirement: Feb 2011</i>	Member	Director, Ministry of Environment and Forests, India	Member of the Governing Body, Wetlands International South Asia Soc., India
Mr Kevin Erwin	Member <i>Retirement: Feb 2011</i>	Member	President & CEO, KLERwin Consulting Ecologists Inc, USA	-
Mr Hazell Shokellu Thompson	Member <i>Retirement: Nov 2016</i>	Member	Ass. Director for Network and Capacity Development, BirdLife International, UK	-
Mr Yoshihiro Natori	Member <i>Retirement: Feb 2014</i>	Member	Executive Coordinator, Nagao Natural Environment Foundation, Japan	-
Ms Maria Carolina Hazin	Member <i>Retirement: Feb 2011</i>	Member	UNESCO, Brasil	-
Ms Margarita Astralaga	Member <i>Retirement: March 2010</i>	Member	Director IUCN Mediterranean, Spain. (currently: Regional Director LA&C, UNEP, Panama)	-

Management Board of the Foundation – members	
Ms Jane Madgwick	Chief Executive Officer, Wetlands International, the Netherlands
	Member of the Governing Body, Wetlands International South Asia Soc., India
	Council member, Wetlands International Malaysia
	Council member, Fundacion para la Conservacion y el Uso Sustentable de los Humedales, Argentina
Mr Frank van der Valk	Chief Operations Officer, Wetlands International, the Netherlands

Annex 2: List of Projects 2010

Project name	Funded in 2010	total project budget from donor(s)	project period	funded by	Wetlands International offices involved	% to goal 1 - Knowledge base & information provision	% to goal 2 - Mainstreaming wetlands in	% to goal 3 - Integrated water and coastal management	% to goal 4 - Biodiversity and ecological networks	Balance from donors (to be implemented)	Balance to be received from donors
<b>INCOME FROM OWN FUNDRAISING</b>											
<b>Green Coast II Thailand</b> <i>Rehabilitating mangrove ecosystems and livelihoods in Thailand</i>	64,464	161,000	Sept 2008 - Dec 2010	New Philanthropic Capital	Thailand office		40	40	20	16,885	
<b>Organisational Development of Wetlands International</b> <i>Enhancing the organisational effectiveness and efficiency of Wetlands International</i>	11,720	720,250	July 2010 - June 2012	MAVA Foundation	all offices					408,530	
<b>Regional Coastal and Marine Conservation Programme West Africa</b> <i>Strengthen the institutional capacity of Wetlands International to develop and implement partnerships in West Africa to influence critical policies and catalyse strategic actions for coastal wetland conservation.</i>	58,560	354,325	June 2006 - April 2010	MAVA Foundation	Senegal office				100		
<b>Coastal Wetland Mangrove Initiative</b> <i>To conserve and restore mangrove ecosystems and mangrove-based livelihoods in coastal West Africa</i>	57,338	480,482	Dec 2006 - Jan 2010	MAVA Foundation	Senegal office				100		57,338
<b>Inception phase Quantifying Mangrove Values</b> <i>Establish a baseline and design of a framework of mangrove services and for economic valuation of mangroves in Southeast Asia</i>	31,551	38,084	July - Dec 2010	Adessium	Indonesia office				100	6,533	
<b>Capacity development for a sustainable energy and climate policy in Eastern Europe, Russia and Central Asia</b> <i>Gaining an overview about the occurrence and extension of drained and extracted peatlands of European Russia.</i>	22,300	22,300	Jan- Nov 2010	M. Succow Foundation			50		50		2,300
<b>Shell partnership</b> <i>Enhance the conservation and sustainable use of wetlands by Shell and its affiliates. Strengthen the capacity of Wetlands International through building in-house business skills and sharing knowledge in the communication, HR and finance disciplines.</i>	903,098	4,300,000	Jan 2008 - Dec 2012	Shell	Africa office Dakar, Russia office, Indonesia office, Malaysia office	30	30	10	30		26,793
<b>Peatland ecosystem rehabilitation for climate change mitigation</b> <i>Peatland ecosystem restoration concessions are established. This is based on community involvement and supported by long term funding from CO2 emissions reductions.</i>	604,509	1,397,599	April 2010 - March 2012	Anonymous donor	Indonesia office	10	50		40		
<b>GOVERNMENTAL SUBSIDIES</b>											
<b>Wetlands and Livelihoods Project</b> <i>project aimed to include wetlands in national and international climate change adaptation and mitigation policies, improvement of water management policies of river catchments and coastal wetlands. More info on <a href="http://www.wetlands.org/wip">www.wetlands.org/wip</a></i>	3,417,648	4,998,252	Jan 2009 - Dec 2010	DGIS	Africa offices, China, Indonesia, India, Latin America offices	20	30	30	20		268,252
<b>Long Journey Project</b> <i>Demonstrating a practical approach to flyway conservation: a Russian Dutch collaboration</i>	7,692	30,128	Sept 2008 - Dec 2010	Netherlands Ministry of Agriculture, Nature and Food Quality - DLG (Service for Sustainable land and			100				7,692
<b>Stop over Black Sea</b> <i>The importance of the Black Sea region in the migratory systems of waterbirds in the Africa Eurasia Flyway</i>	31,182	197,695	Jan 2009 - May 2011	Netherlands Ministry of Agriculture, Nature and Food Quality	Black Sea office				100	75,812	
<b>WETwin Mali</b> <i>twinned river basins in EU, Africa and South America. Aim is to improve community service functions while conserving good ecological status. More info on <a href="http://www.wetwin.net">www.wetwin.net</a></i>	50,213	150,751	Nov 2008 - Oct 2011	European Union	Mali office			100		32,721	
<b>Development of Global Peatland Fund</b> <i>Development of a structural and self-sustaining, safe and transparent long-term mechanism for reducing carbon emissions from degraded peatlands by facilitating carbon offset payments of the private sector for peatland restoration and conservation.</i>	9,443	73,275	Feb 2009 - Jan 2010	Senter Novum/SMOM (for Ministry of VROM)					100		

Project name	Funded in 2010	total project budget from donor(s)	project period	funded by	Wetlands International offices involved	% to goal 1 Knowledge base & information provision	% to goal 2 - Mainstreaming wetlands in	% to goal 3 - Integrated water and coastal management	% to goal 4 - Biodiversity and ecological networks	Balance from donors (to be implemented)	Balance to be received from donors
<b>Ramsar Sites Information Service</b> <i>Taking data and information relating to all designated wetlands, and making data available at the RSIS</i>	102,785	340,000	Jan - Dec 2010	United Nations Environmental Programme, African-Eurasian Waterbird Agreement		100					33,512
<b>Surveillance of Influenza in Wild birds</b> <i>Survey of the distribution along the flyway of the avian influenza virus among high-risk wild bird species, notably waterfowl</i>	28,834	35,475	March 2009 - March 2010	Erasmus University Medical Centre					100	1,504	
<b>Sampling wild birds in Egypt</b> <i>Sampling, surveillance and monitoring of wild birds, focusing on potential bridge species and the interface between livestock and wild birds in Egypt</i>	12,132	17,738	Dec 2009 - March 2010	FAO					100		20,954
<b>Wings over Wetlands</b> <i>enhanced conservation of migratory waterbirds and their critical sites in the African Eurasian flyways.(text from unep-gef only)</i>	532,957	2,467,682	2006-2010	UNEP-GEF (Global Environment Facility), Bundesamt für Naturschutz (BFN) as main donors	Africa offices		20		80	44,201	
<b>Himalaya Wetland Strategy</b> <i>Support to the development and implementation of a Himalayan wetland strategy</i>	98,119	284,410	Aug 2005 - July 2008	European Union	South Asia office (China)	25		50	25		30,906
<b>New Flue Bird</b> <i>Developing a network and an early warning risk assessment system on influenza viruses in migratory birds in Europe. WI provides data and expertise, builds capacity and coordinates the set-up of systematic sampling from healthy wild migratory birds.</i>	24,108	474,300	Jan 2007 - Jan 2010	European Union					100		277,948
<b>Avian influenza</b> <i>sampling and surveillance of wild birds in Turkey, Egypt, Bangladesh and Sudan, development of a cooperative programme for monitoring sites in Asia-Pacific flyways and promoting awareness of flyways.</i>	76,271	95,783	Oct 2009 - March 2010	FAO					100		21,478
<b>State of the World's Waterbirds</b> <i>Production of the Publication "State of the World's Waterbirds"</i>	34,544	17,000	Sept - Oct 2010	UNEP-AEWA					100		34,543
<b>Engage civil society in water management</b> <i>Building the capacities of civil society in Tunisia, Morocco and Jordan to dialogue with their governments about improved water and wetlands management.</i>	276,565	671,865	April 2007 - March 2012	CIDA	Mediterranean office, France			100		55,713	
<b>Promoting integrated peatlands management Russia</b> <i>Develop methodologies for peatlands management and enhance awareness and knowledge on peatland functions and values.</i>	80,232	211,621	Feb 2008 - Jan 2011	Netherlands Ministry of Agriculture, Nature and Food Quality - BBI Matra	Russia office				100		30,254
<b>South Bug River Basin Ukraine - pilot</b> <i>Develop the foundations for integrating wetland biodiversity conservation into water related policies in Ukraine, based on ecological network development and civil society engagement</i>	51,796	219,896	Feb 2008 - Jan 2011	Netherlands Ministry of Agriculture, Nature and Food Quality - BBI Matra	Black Sea office		100				2,796
<b>Transboundary wetland conservation in Russia, Belarus,Ukraine</b> <i>Foster cooperation between the three countries for joint conservation and management of transboundary wetlands</i>	47,635	198,372	Nov 2008 - Nov 2010	Netherlands Ministry of Agriculture, Nature and Food Quality - BBI Matra	Russia office		100				30,541
Miscellaneous	209,984	20,796								142,326	
<b>Total</b>	<b>6,845,680</b>									<b>784,225</b>	<b>845,307</b>

### Annex 3 List of publications

Title	Authors	isbn	Link to website (if applicable)
State of World's Waterbirds 2010	Simon Delany, Szabolcs Nagy and Nick Davidson (comp.)	978-90-5882-049-5	<a href="http://www.wetlands.org/soww">www.wetlands.org/soww</a>
Biodiversity Loss and the Global Water Crisis - A Fact Book	Wetlands International		<a href="http://www.wetlands.org/waterfactbook">www.wetlands.org/waterfactbook</a>
Wetlands and Water, Sanitation and Hygiene (WASH) - Understanding the Linkages			<a href="http://www.wetlands.org/washbooklet">www.wetlands.org/washbooklet</a>
The Global Peatland CO2 Picture - Peatland Status and Drainage Related Emissions in all Countries of the World(2010 update)	Hans Joosten (Greifswald University)		<a href="http://www.wetlands.org/peatco2picture">www.wetlands.org/peatco2picture</a>
Will the Inner Niger Delta shrivel up due to climate change and water use upstream? (English, French)	Leo Zwarts		<a href="http://www.wetlands.org/ind">www.wetlands.org/ind</a>
Endicamientos y Terraplenes en el Delta del Paraná: Situación, Efectos Ambientales y Marco Jurídico (Embankment in the Delta of Paraná: Situation, Environmental Effects and Legal Framework)	Daniel Blanco and Magdalena Mendez (eds)	978-987-24710-3-3	<a href="http://www.lac.wetlands.org/endicamientosdeldelta">www.lac.wetlands.org/endicamientosdeldelta</a>
Conservación de los Peces de la Cuenca del Plata en Argentina: Enfoques Metodológicos para su Evaluación y Manejo (Fish Conservation in La Plata Basin in Argentina: Methodological Approaches for Assessment and Management)	Jorge Cappato, Victoria de la Balze, Julieta Petean and Jorge Liotta (eds)	978-987-24710-5-7	<a href="http://www.lac.wetlands.org/pecespub">www.lac.wetlands.org/pecespub</a>
Bienes y Servicios Ecosistémicos de los Humedales del Delta del Paraná (Goods and ecosystem services of the Paraná Delta Wetlands) Factbook	Patricia Kandus, Natalia Morandeira and Facundo Schivo	978-987-24710-2-6	<a href="http://www.lac.wetlands.org/bienesdeldelta">www.lac.wetlands.org/bienesdeldelta</a>
Las Turberas de Tierra del Fuego y el Cambio Climático Global (Tierra del Fuego Peatlands and Global Climate Change)	Rodolfo Iturraspe	978-987-24710-4-0	<a href="http://www.lac.wetlands.org/turberasTdF">www.lac.wetlands.org/turberasTdF</a>
Transboundary Russian-Ukrainian Wetlands in the Desna and Snov River Valleys (Russian)	Fedotov, Yu.P., S.A. Kruglikov, Yu.V. Kuzmenko, T.N. Kuzmenko & S.M. Panchenko	978-5-903201-9308	<a href="http://www.wetlands.org/RussiaPub">www.wetlands.org/RussiaPub</a>
A Quick Scan of Peatlands in Malaysia	Wetlands International Malaysia, Malaysia Office		<a href="http://www.malaysia.wetlands.org">www.malaysia.wetlands.org</a>
Processos Autónomos Locais de Adaptação aos Impactos das Mudanças Climáticas (Autonomous Local Processes of Adapting to Impacts of Climate Change)	Africa Office		<a href="http://www.afrique.wetlands.org/adaptacaoGB">www.afrique.wetlands.org/adaptacaoGB</a>

Panduan Pengelolaan Budidaya Tambak Ramah Lingkungan di Kawasan Pesisir (Guide to Environmentally Friendly Aquaculture Management in Coastal Areas)

Ita Sualia, Eko Budi Priyanto, dan I Nyoman N. Suryadiputra, Indonesia Office

[www.wetlands.or.id](http://www.wetlands.or.id)

## Annex 4 Climate Neutrality Report 2010

Wetlands International *goes climate neutral*. Many of our projects are focused to reduce the greenhouse gas emission from degraded wetlands and to sequester carbon via re-vegetating areas. In addition, we also invest in an organisation with a minimal carbon footprint. The foundation off-sets all emissions from flights made by its staff according to the Gold Standard. In 2010, Wetlands International compensated 582,79 tons of CO<sub>2</sub> of a total value of Euro 8.480 for its flights. This means that 100% of the carbon emissions assigned to air travel by its staff are compensated.



## **Annex 5      Accountability Statement**

### **Management and supervision**

The Statutes of the Foundation (Stichting) Wetlands International specify that its Executive management and the supervision thereof are in the hands of the Management Board and the Supervisory Council, respectively. Members of the Management Board (MB), minimum and currently two, are appointed and dismissed by the Supervisory Council (SC). Members of the Supervisory Council, which according to the Statutes also need to be members of the Board of the Association (Vereniging) Wetlands International, are appointed by the Supervisory Council itself. They are appointed for a three year period and can be reappointed twice at most. Because of the combination of the following factors, the Foundation Wetlands International and the Association (Vereniging) Wetlands International are considered a Group in financial-administrative sense:

- members of the Supervisory Council of the Foundation need to be members of the Board of the Association, who are appointed by the Association's General Members Meeting;
- the Supervisory Council appoints, assesses and dismisses the members of the Foundation's Management Board; and
- the Association's General Members Meeting determines the global strategy which the Foundation should follow according to its Statutes.

As a consequence, the Association needs to present consolidated financial accounts in its Annual Report.

For the Foundation, the MB is the main governing body. Tasks of the MB and the SC are defined in the Foundation's Statutes are further elaborated in the Rules and Regulations, as adopted by the Supervisory Council. These Rules and Regulations include a profile of the members of the SC. The MB comprises the Chief Executive Office (CEO) and the Chief Operations Officer (COO), for whom the profiles are approved by the SC. Their term is defined by their individual employment contracts.

The SC exerts its supervision mainly through three routes. Firstly by discussing and approving important decisions of the MB as specified in the Statutes, such as the Annual Plan and Budget. Secondly by monitoring progress and developments in the Foundation's work on basis of quarterly and specific reports by the MB. And thirdly, through the annual performance assessment of the MB. The SC also annually makes an assessment of its own performance.

### **Optimal use of resources to realize the objective of the Foundation effectively and efficiently**

The Strategic Intent is the main guiding document for the organisation. It sets out the main directions and strategies for 10 years ahead, as well as goals and specific targets for a 5 year period. Indicators for the monitoring of these targets are developed. After 5 years, the Strategic Intent is updated, following an extensive review process involving all main stakeholders. For the Strategic Intent 2005-2014, four goal managers were responsible for each of the four goals. The new Strategic Intent 2011-2020 has one overarching goal and 12 targets. Lead persons for the monitoring of each of these targets are currently being appointed.

Regional and national five year strategies, managed by local Wetlands International offices, set out the regional and national contributions to the Strategic Intent. The ambitions of the Strategic Intent are also translated into an Annual Plan for the Foundation that specifies the results to be achieved that year, funding to be attained and expenditure for different cost categories. After

approval of the Annual Plan and Budget, the MB is responsible for the implementation. The MB monitors progress and reports this to the SC on a quarterly basis. Every year, an Annual Report, made available on the website, presents progress towards achieving the goals, the functioning of the organisation, adaptations made in response to new insights as well as the audited accounts. This is reported to the SC.

Implementation of the Strategic Intent happens by means of projects that vary in lengths from less than one year to up to 5 years. Each project contributes to one or several targets of the Strategic Intent. Project proposal development is an ongoing activity of the technical staff. Proposals are approved by the CEO or MB before funding is sought from donors. Implementation of projects is often done by the joint efforts of several Wetlands International offices on the basis of contracts between the Foundation and the other Wetlands International offices concerned. Field visits and technical advice on the implementation are key monitoring activities of the Foundation. Frequency of project reporting varies from quarterly to annually according to size, complexity and back-donor requirements. Annual audited accounts as well as external project evaluations are considered good practice to be followed as much as possible, ensuring a significant coverage of total funds by evaluation. External evaluations are normally carried out at project level and discussed by the MB to determine follow-up actions to be taken. Evaluations can be outcome oriented or process oriented. An example of the latter is the Shell mid-term review of 2010. The Foundation is currently elaborating a new draft monitoring and evaluation policy, to be finalized in 2011.

#### **Optimal relationships with interested parties**

For Wetlands International, the following are considered the main interested parties:

- a. the members of the Association;
- b. donor organizations;
- c. a network of experts
- d. partner organizations;
- e. beneficiaries of its projects.
- f. local Wetlands International offices in Latin America, Africa, Asia and Oceania.

Wetlands International does the utmost to ensure that the information it provides is true and reliable. Wetlands International external communications are guided by its communications policy. Overall the organization ensures that essential information regarding its functioning, such as the Strategic Intent, annual plans and annual reports are available for anyone interested both in printed form and on the website ([www.wetlands.org](http://www.wetlands.org)). Members are specifically informed through the annual members meeting and are regularly provided with progress updates and publications. Donors, partners and project beneficiaries are mainly informed as specified and needed within projects. The partnership policy stipulates how relationships are managed. Wetlands International considers as partnerships relationships where it works with the partner organisation(s) at the basis of equity to achieve jointly formulated objectives, with distinct contributions of each partner. Partnerships with the corporate sector are guided by a Steering Committee in which senior management of both organisations participate. Every six months, all Heads of the global network of Wetlands International offices come together for a week to discuss progress towards the goals of the Strategic Intent as well as the effective functioning of the global organisation. Next to that, online surveys are used to gather input from

staff throughout the global network on a variety of issues. An externally managed process gathers input from our stakeholders about the functioning of Wetlands International for the 5-yearly review of the Strategic Intent. In general, publications are made available electronically for free on the website. The communications department ensures relevance, accessibility and readability of information provision through the website.

The organization has established an official complaints procedure, which is available on the website. There is also a general email address [info@wetlands.org](mailto:info@wetlands.org), handled by the secretariat, who distribute incoming messages for handling by relevant staff.

## **Annex 6      Financial Reserves Policy**

Association and Foundation have adopted the following Reserves Policy (Decisions GMM 10.4 and SC 39.5):

- a. Association and Foundation aim for a combined Continuity reserve of 100% of annual operational costs, to be held mainly in the Association's account;
- b. this will be built up by reserving 5% of annual operational costs in the budget as of 2011 plus any surpluses occurring;
- c. the Association will also reserve € 35,000 annually for the tri-annual General Members Meetings as of 2011.

Two main reasons underpin the necessity for Wetlands International to hold a significant continuity reserve. In the first place, it faces a significant continuity risk as it is largely dependent upon projects funding, while it needs to maintain a significant organizational structure, including employment of permanent staff and long-term investments and obligations for its office. In the second place, in view of the considerable reliance on funding by the corporate sector, having a respectable continuity reserve is also necessary to ensure the organisation's independence and hence reputation.



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## Mission

To sustain and restore wetlands, their resources and biodiversity for future generations

## Member Organisations

*The Foundation Wetlands International is intimately linked to the Association Wetlands International which has the following members<sup>1</sup>:*

### Non-Governmental Members:

British Association for Shooting and Conservation (BASC)  
Deutscher Jagdschutz Verband (DJV) / German Hunting Association  
Federation of Associations for Hunting and Conservation of the EU (FACE)  
Greek Biotope / Wetland Centre (EKBY)  
National Association of Regional Game Councils (NARGC)  
Nigerian Conservation Foundation (NCF)  
Royal Society for the Protection of Birds (RSPB)  
Dansk Ornitologisk Forening (DOF) / BirdLife Denmark  
Vogelbescherming Nederland (VBN) / BirdLife the Netherlands  
Schweizer Vogelschutz (SVS) / BirdLife Switzerland  
Sveriges Ornitologiska Förening (SOF) / BirdLife Sweden

### Government Members:

**Argentina**, Secretariat for the Environment  
**Austria**, Federal Ministry of Agriculture, Forestry, Environment  
**Belgium**, Flemish Department of Environment, Nature and Energy / Wallonian Department for Agriculture, Natural Resources and Environment  
**Benin**, Agence Béninoise pour l'Environnement (ABE)  
**Bulgaria**, Bulgaria Ministry of Environment  
**China**, State Forestry Administration  
**Czech Republic**, Ministry of Environment  
**Denmark**, Nature Agency, Ministry of the Environment  
**Ecuador**, Ministry of Environment  
**Estonia**, Ministry of the Environment  
**Finland**, Ministry of Agriculture and Forestry  
**France**, Ministry of Ecology and Sustainable Development, Transport and Housing  
**Germany**, Ministry of Environment  
**Greece**, Ministry of Environment, Energy and Climate Change  
**Hungary**, Ministry for the Environment  
**India**, Ministry of Environment and Forests  
**Indonesia**, Ministry of Forestry  
**Ireland**, National Parks and Wildlife Service  
**Japan**, Ministry of the Environment  
**Kenya**, Kenya Wildlife Service  
**Latvia**, Ministry of Environmental Protection and Regional Development  
**Republic of Macedonia**, Ministry of Urban Planning, Construction and Environment  
**Malaysia**, Ministry of Natural Resources and Environment  
**The Netherlands**, Ministry of Economic Affairs, Agriculture, and Innovation  
**Norway**, Directorate for Nature Management, Ministry for the Environment  
**Pakistan**, Ministry of Environment, Public Affairs, Forestry and Wildlife  
**Poland**, Ministry for Environmental Protection and Natural Resources  
**Portugal**, Ministry of Environment  
**Slovakia**, Ministry of the Environment  
**Slovenia**, Ministry of the Environment and Spatial Planning  
**Sweden**, Environmental Protection Agency  
**Switzerland**, Federal Office for the Environment  
**Tunisia**, Ministry of Agriculture  
**United Kingdom**, Joint Nature Conservation Committee/Scottish Natural Heritage/Natural England

<sup>1</sup> as on 31 December 2010