



WaterAid / Abir Abdullah

Corporate engagement on water supply, sanitation and hygiene:

Driving progress on Sustainable Development Goal 6 (SDG6) through supply-chains and voluntary standards

A high-level summary of research findings and recommendations
2017



The CEO Water Mandate



wbcasd





WaterAid, CEO Water Mandate and World Business Council for Sustainable Development gratefully acknowledges the support from the HSBC Water Programme in the development of this report and accompanying case-studies.

WaterAid, CEO Water Mandate and World Business Council for Sustainable Development have actively contributed to the development of this report, and gratefully acknowledge the input from companies as well as the work and guidance from Water Witness International. The company testimonials are anonymous.

Front cover photo: WaterAid/ Abir Abdullah
Ritu Modi, 18, married with a daughter, 4, and son, 3. A tea picker at Gulni Tea Estate in Sylhet District, Bangladesh. February, 2017.

The tea pickers project started with WaterAid and local partner IDEA in 2010 in two gardens, one from Sylhet and one from Maulavibazar. With support from the HSBC Water Programme, the Sylhet portion of the project was up-scaled to 14 gardens, of which 8 now have 100% WASH coverage. In total, 45,000 people have been supported with WASH, across 21 tea gardens. Tea plantation owners are legally responsible for the health care and education of the workers but facilities are very poor. Until WaterAid's work they relied upon hand-dug wells and nearby streams for drinking water, and largely practiced open defecation. A major part of WaterAid and IDEA's work has been advocacy with tea plantation owners and managers.

Contents

1. Introduction and rationale for the study	4
2. Methodology	5
3. Findings and recommendations	5
3.1 Working with corporates on WASH can drive improved access for vulnerable communities and economic and social development	5
3.1.1. Engagement to drive corporate action on WASH should continue in order to secure social benefits	5
3.2. A range of strategies for activating progress on WASH can be pursued	6
3.2.1. The diverse business drivers for action on WASH in supply chains should be understood more deeply and activated	6
3.2.2. Guidance on optimal, ‘idealised’ WASH provision in supply chains is much needed	7
3.2.3. Improving the handling of WASH within ‘supplier codes’ is a powerful mechanism for change	8
3.2.4. Strengthening existing mechanisms, including ILO Conventions, IFC performance standards, OECD Guidelines, FAO Sustainability Assessment and the WBCSD WASH Pledge, is likely to yield significant progress on WASH	8
3.2.5. Third party standards provide a particularly promising route for progress on WASH	9
3.3 Need for additional data and analysis	10
3.3.1. The business rationale for working on WASH in supply chains will benefit from improved evidence and articulation	10
3.3.2. Process guidance on effective stakeholder and community engagement is needed alongside policy on WASH	10
3.3.3. Potential controversies and risks arising from corporate engagement on WASH must be fully understood and proactively addressed	11
4. Conclusion	12
Appendices	13

1. Introduction and rationale for the study

Sustainable access to water, sanitation and hygiene (WASH) is central to meeting global development goals on poverty, health, education, and economic growth. Corporate water users have the potential to play an influential role in delivery of Sustainable Development Goal 6, “*ensuring availability and sustainable management of water and sanitation for all*”. As well as joint advocacy, opportunities include driving improved access within operational facilities, local communities, and within supply chains¹. It is estimated that one-in-five people are employed in globalised supply chains, and that 80-90% of these people work within micro- small- and medium-sized enterprises and dispersed farm production systems in developing countries. Given this overlap with geographies where the WASH challenge is most acute, the potential for a positive contribution is significant.

Water stewardship initiatives have so far been typified by a relatively narrow focus on maintaining the quantity and quality of water resources available to commercial users by engagement at site and local basin scale. WaterAid, World Business Council for Sustainable Development (WBCSD) and the UN Global Compact’s CEO Water Mandate – including through their recent white paper – have advanced understanding that while physical and regulatory risks relating to water resource management and corporate water use are important, socio-economic water risks can only be mitigated when there is universal and sustainable access to water-related services. SDG6, which explicitly links WASH to water resource management, further strengthens the message that: to be effective in mitigating shared water challenges, water stewardship by companies must consider water holistically.

Companies in the vanguard of water stewardship are incorporating a focus on WASH into their water stewardship strategies. To date, these have mainly focused on company provision in core operations or on provision to local communities through NGO partnerships. There has been limited focus on extending positive influence to drive action through supply chains.

There is a clear opportunity to facilitate greater corporate involvement in the drive for universal WASH and attainment of SDG 6 through improved understanding of business benefits and approaches.

To explore and realise this opportunity, WaterAid, WBCSD, and the UN Global Compact’s CEO Water Mandate jointly commissioned Water Witness International (WWI) to conduct research to guide strategy and action. The objectives are two-fold:

- 1) Strengthen the knowledge base for corporate action on WASH in supply chains, develop compelling case studies to illustrate the business case, and identify opportunities to improve impact and performance.
- 2) Scope and make recommendations on the most impactful ways that WASH could be integrated into voluntary standards, and identify standards systems interested in collaboration with the partners to support and document action against SDG6.

This report provides a high-level summary of the research. Following an overview of the methodology and sources of information, it sets out key findings and recommendations for the practice and policy community, and for further consideration by the commissioning partners. Case studies accompany this report and detail how companies are taking action on WASH in supply chains.

¹ Supply chains are here defined as “parties not under direct ownership of the company who are a key part of processes involved in the production and distribution of a product and can include direct contractors, to trade processors, to materials producers, to farmers”.

2. Methodology

The approach adopted combined review of available information with semi-structured key informant interviews. The research team spoke with senior representatives from ten multinational companies identified as taking progressive action on WASH in supply chains (see Table 1). Where possible, data on case studies were verified by reference to third-party evaluation and documentation. While many of the broader insights reported are based on personal testimony and should be handled accordingly, the clear messages emerging are useful in guiding future work on the topic.

The exploration of standard systems involved an initial screening of over 200 standards and review of the 25 most relevant standard systems to establish: sector focus; market penetration; geographical coverage; credibility and current approach to WASH. Of these, nine standards were selected for detailed analysis and key informant interviews. The informants to the study are listed in Table 1.

Table 1. Informants interviewed within the research by organisation

Companies	Coca-Cola; Diageo; ERM; Gap Inc; GSK; Olam; Levi's; Nestlé; Unilever; H&M
Standard systems	4C- Global Coffee Platform; Alliance for Water Stewardship; Better Cotton Initiative; Fairtrade; Forest Stewardship Council; GLOBALG.A.P.; Roundtable on Sustainable Palm Oil; Sustainable Agriculture Network-Rainforest Alliance; UTZ Certified; ISEAL Alliance

3. Findings and recommendations

In this section, recommendations have been grouped and synthesized against three themes to help inform the strategy of the partners. Each recommendation is introduced by supporting testimony of key informants. The three themes are:

- 3.1 Working with corporates on WASH can drive improved access for vulnerable communities and economic and social development
- 3.2 A range of strategies for activating progress on WASH can be pursued
- 3.3 Need for additional data and analysis

3.1 Working with corporates on WASH can drive improved access for vulnerable communities and economic and social development

- 3.1.1. Engagement to drive corporate action on WASH should continue in order to secure social benefits

Company testimony...

It's new for us but the potential is huge. We employ 62,500, have direct relationships with 350,000, with links to 4 million farmers...the supply chain is where the big issues are.

We're working in 90 countries with 500 suppliers and 135,000 employees, with up to a million working in supply chains across south-east Asia. We want to further influence supplier performance and improve workplace conditions.

We are looking at WASH as a risk factor for both our supply chain producers and for our 167 factories...We are just beginning that journey.

The potential for progressive action on WASH through corporate supply chains seems significant given their:

- reach and scale;
- locations in priority countries for WASH;
- links to under-served communities;
- the limited extent of current action by corporates on these issues, and;
- a willingness by companies to focus on the topic.

Informants reported that no single company was yet demonstrating clear leadership or ‘best practice’ in handling supply-chain WASH, and compelling examples backed up with independent evaluation have been difficult to find.

There is a clear opportunity to work with corporates and their supply chain stakeholders, and through voluntary standards to improve WASH provision. Inadequate WASH provision for communities engaged in providing goods and services to multi-national corporations and consumers should be considered unacceptable. Indeed, the indignity of inadequate workplace WASH has been equated with the conditions of slave labour². Multi-national companies recognize the need to improve performance, and appear willing to collaborate to address priorities including evidence generation, the development of best practice and advocacy.

3.2. A range of strategies for activating progress on WASH can be pursued

3.2.1. The diverse business drivers for action on WASH in supply chains should be understood more deeply and activated

Company testimony...

WASH is a major issue because 80% of our supply chain workers are women. The driver is company culture and our emphasis on people...It's also good for business. There is an expectation from our customers that we will avoid causing harm and minimise dangers in the value chain.

We're looking at farmer wellbeing because of a need to secure long-term supply. Demand for support on WASH came from farming communities themselves.

Investors drive much of what we do on health, safety and environment. Some are reviewing their sustainability policies and are ambitious and forward thinking, but WASH isn't in there properly yet.

Food safety and hygiene concerns are a driver to improve field level WASH. The E coli outbreak in Europe in 2011 led to 53 deaths, 4000 disease cases and cost \$4 billion. Poor field level sanitation or re-use of wastewater could cause a similar outbreak.

Businesses are beginning to focus on WASH issues in their supply chains for a diverse array of reasons. They include:

- Top down directives from business leaders keen to establish ethical workplace culture and practice.
- Responses to ‘bottom up’ demand from communities and workers.
- Pressure from consumers and business customers.
- Compliance with legal requirements and investor due diligence processes.
- Meeting the requirements of voluntary standards and benchmarks.
- Responses to supply chain crises.
- Tax and excise incentives are also reported to play a role where companies receive favorable handling for sourcing locally and supporting local communities.

² For example, in 2009 the Brazilian Public Ministry of Labor (MPT) fined a company R\$2 million for employing 530 workers in conditions analogous to slave labor because workers did not have access to potable water, sanitation facilities, a canteen or place to purchase food, and were not provided with adequate protective equipment (PPE). The workers had been hired indirectly, through a sub-contractor.

The understanding provided by this current research should be deepened to explore how these incentives evolve and operate, and how they can be triggered and strengthened more widely.

3.2.2. Guidance on optimal, ‘idealised’ WASH provision in supply chains is much needed

Company testimony...

Sanitation is the big challenge, not only at processing scale but at farm level, where sanitation and hygiene is almost non-existent. Asking for infrastructure at that level is often not a viable option. It would be very useful to have an additional level of detail on what we expect to see as ‘decent WASH’ at these scales.

We need to think about what the right questions are for outsourced materials, including small farmers and factories. A cost-effective solution and standard approach to WASH at field level is a big priority.

An idealised approach for WASH is very much needed. We’d be keen to be involved and we’re keen to get something which does the job, is practical, but which doesn’t cripple us on cost.

Guidance on how to handle WASH in supply chains needs to be developed, tested and published as a matter of priority. According to informants, this is urgently needed to add definition to what is considered ‘acceptable’ good practice, and could include:

- Differentiation between factory and farm level and recognition of infrastructure challenges in remote field locations (for example, it may be more realistic and cost effective to provide portable or individual water supplies, trowels/portable screening to avoid open defecation, etc. for fields/areas below a threshold frequency of worker visits).
- Definition on quantity, quality and distance to reliable potable supplies, with volumetric standards linked to temperature and nature of work.
- Gendered requirements for sanitation (for example to provide for menstrual hygiene management (MHM), as well as separate and secure facilities), maximum headcount per latrine, minimum standards of sanitation, cleaning and inspection.
- Availability of soap and water for handwashing.
- Minimum expectations for household and community provision for employees and workers, and differentiated responses depending on context. For example: where a business provides accommodation directly, full compliance with minimum standards should be the norm; where a business has driven demographic change in a village or municipality, then there should be a requirement to ensure this doesn’t lead to overburdening of WASH services. This approach can be compared to the ‘planning obligation agreements’, or ‘planning gain’ in the UK under which a developer is obliged to make agreed financial contributions to local service provision to offset the effects of their development on the local community.
- In countries or regions facing problems of WASH under-provision, there should be a requirement to survey and understand levels of WASH provision in employee homes and to engage constructively from an informed position where there is shortfall (i.e. through local advocacy). A draft set of criteria for optimal WASH provision in supply chains and operational sites is proposed for discussion in **Appendix 2**.

All informants recognised a need for, and would welcome further definition of, tightening up existing practice through specific guidance on what best practice for WASH in supply chains ‘looks like’.

3.2.3. Improving the handling of WASH within ‘supplier codes’ is a powerful mechanism for change

Company testimony...

We’ve been looking at WASH since 2012 and putting our supplier code into effect across 5,000 suppliers, with around 3,000 of these agricultural. If we can tighten up on definitions of acceptable WASH, we can drive change and influence at all levels: from the big producers, to contract farmers and co-operatives.

Our supplier code commits all suppliers to adhere to principles including: a safe and hygienic work environment in accordance with national health and safety laws and international conventions. It’s implicit that they provide decent WASH. We can inspect and demand remedial action, and suspend dealings for non-compliance.

We have a supplier code and audit programme which reflects basic workplace rights (no child labour, no forced labour, fair wages, etc.) and over the years have matured it to include other issues like WASH. We have walked away from some suppliers for non-compliance, so it’s a powerful tool.

The use of supplier codes and audit against them to ensure high quality production standards appears to be universal practice. However, there are several opportunities for this system of supplier codes to drive better performance on WASH. For example, while WASH provision is usually a mandatory requirement, most codes contain ambiguous, or weak requirements: for workers to have ‘access to water and sanitary facilities’. Without specifying the distance to, quantities and quality of provision, nor reference to international best practice (ILO, WHO, etc.) such a weak handling is almost meaningless. There are also issues with non-binding requirements and weak audit processes, where other priorities or the need to secure produce squeezes out rigor on WASH performance. A wider review to document the adequacy of supplier codes, the trialing of ‘idealised’ requirements and targeted advocacy for strengthening these systems should be pursued.

3.2.4. Strengthening existing mechanisms, including ILO Conventions, IFC performance standards, OECD Guidelines, FAO Sustainability Assessment and the WBCSD WASH Pledge, is likely to yield significant progress on WASH

Company testimony...

The ILO report was released last week and I need to check if we need to revise our standards as we benchmark against this. We’ve also drawn on the WASH Pledge of WBCSD.

The IFC performance standards are pretty much ‘the Bible’ for most of the financiers, so that could be one way of driving change.

A series of existing documents, conventions, and initiatives are important touchstones for how corporates manage and perform on WASH at operational sites and in supply chains. For example, *ILO Convention 184 Safety and Health in Agriculture*, and *ILO Convention 155, Occupational Safety and Health* are widely referred to as the ‘default’ for company policy and practice on WASH. Similarly, the IFC Performance Standards on Environmental and Social Sustainability are a key reference for how corporates are expected to perform. However, based on a comprehensive review of these benchmarks (summary recommendations from which are set out in Appendix 2) there are significant opportunities to improve how they each handle WASH, particularly at the supply chain level. Given their far-reaching influence, a priority should be to work closely with these systems to ensure a more progressive, robust and well-defined handling of WASH.

Working in collaboration with both the AWS and ISEAL to improve handling of WASH was proposed by several informants. ISEAL are keen to support the strengthening of standards on WASH, and are similarly keen to evidence the impact of standards in relation to SDG 6. The guidance and standards produced by the ILO, IFC, FAO and OECD present an equally important opportunity to leverage private sector action on WASH in countries which score low in the Human Development Index.

Included here is the suggestion to extend or adjust the scope of the WBCSD WASH Pledge to more strongly encourage signatories to take action on WASH in supply chains, as well as simply at site level.

3.2.5. Third party standards provide a particularly promising route for progress on WASH

Company testimony...

Where certification standards exist, we use these. We default to what standards ask for on water.

Our general approach to standards is to use them where it's helpful. We use them by benchmarking against all the principles contained and their validation processes, and it shows us what to focus on to improve internal systems.

It's helpful to hear that the partners are engaging with the standard systems. This is a sensible approach. It may be useful to reference the AWS as the 'go-to' standard, as we don't want each standard to be solving this puzzle on their own.

All informants said that they used third party standards to benchmark internal practices, and that where there are business drivers and it is cost effective, standards are certified against in both the supply chain and a company's own operations. Standards seem particularly relevant within agricultural supply chains where there is less control over the conditions of production available to the buyer.

A full analysis was carried out of nine standard systems and summary recommendations are presented in **Appendix 1**, with conclusions and proposed next steps summarized here:

- Most certification schemes are relatively weak in terms of the criteria set (or not set) on access to water, sanitation and hygiene for the workers, families and communities linked to global supply chains. In particular, a meaningful handling of sanitation is lacking in most standards systems.
- The standards systems consulted universally recognised the opportunity to strengthen the handling of WASH, and all expressed an appetite to collaborate to improve their systems.
- The primary concern of standard systems is that amendments to include WASH need to be viable. They worry that setting the bar too high may lead to de-certification or abandoning of the standard by producers with the least resources.
- There is a clear opportunity to engage constructively with standards systems and their stakeholders. Standard system representatives proposed collaboration in three areas:
 - 1) Joint development of improved criteria, indicators and guidance.
 - 2) Pilot projects with standards systems, where corporates and producers generate approaches, criteria and indicators for improved handling of WASH which are practical for implementation at varying scales.
 - 3) Development of thematic programmes to support implementers with action, modelled on similar social programmes focused on issues such as gender, child labour and working conditions.

3.3 Need for additional data and analysis

3.3.1. The business rationale for working on WASH in supply chains will benefit from improved evidence and articulation

Company testimony...

I have no idea what the WASH risk map looks like across our business, but if we go to Nigeria, India, Tanzania – toilets just don't exist in rural farm settings. Lack of data is a problem and it's not something we've talked about very much. The key is to do the work to close the data gap.

The key lesson for us, to ensure this programme lasts another ten or 20 years, is that it should have the strong business value articulated clearly. By articulating the clear cut commercial value of investing in WASH in compelling figures we can embed this as a business priority beyond the philanthropic, emotional preference of a few key individuals.

We'd be very interested to work with the partners to clarify the business case and develop specifics on how WASH can be handled in supply chains. We could look at health factors before and after interventions.

Evidence of the benefits of WASH provision exist at macro level. For example, WHO and others report that the financial benefits of universal provision in sub-Saharan Africa are around \$23.5 billion a year (WHO 2011). Pockets of local data around the business case for business engagement on WASH exist but these are largely anecdotal. Within the case studies identified by this research, the evidence around the benefits of WASH action in supply chains is difficult to disentangle from other aspects of holistic supplier support interventions.

Although all informants agreed that there are implicit benefits of addressing WASH in the supply chain, reliable data on the extent of the problem and business case for action are almost non-existent. There is a lack of strong evidence of benefits in terms of reduced absenteeism, higher productivity, workplace and company differentiation, staff and supplier loyalty, etc. While there are strong ethical and intuitive drivers, and good case studies are emerging, investment in research and analysis to clearly document the multiple business benefits (versus costs) of working on WASH in supply chains would be of real value to support action. For example, documenting the true business benefits which WASH brings for: productivity via better family health, educational achievement, and financial and time savings in collecting water, caring for the sick and treating ill health; supply-chain resilience, continuity, and sustainability through building relationships of loyalty and trust; and how these translate into competitive advantage. Companies are keen to collaborate and to invest in such work.

3.3.2. Process guidance on effective stakeholder and community engagement is needed alongside policy on WASH

Company testimony...

Water and sanitation may not be an issue, it depends on local priorities. The priority might be to build a road to allow folks to get to a buying station. We decide what to focus on in supplier communities by discussion with experts.

We are keen to work on advocacy where this makes sense, but we need help on how to do it.

Well-meaning policy on WASH rolled-out in an inappropriate manner poses risks for sustainability and impact. For example, processes for consulting stakeholders on their needs and planning action with them must be inclusive and equitable. In particular, including women in assessments of local priorities is likely to result in stronger emphasis on WASH provision. There is a need for advice on processes to use and

questions to ask when assessing supply-chain risks, prioritizing mitigation and designing interventions.

Guidance is also required on how corporates can undertake or support advocacy for improved WASH provision. This can include the use of evidence and compelling communication to flag and support change in practice, policy or financing arrangements within the most relevant administrative unit, from local to national government. This is particularly important given the boundaries of responsibility for constructing public WASH infrastructure, and because the root cause of WASH failures at community and national scales tend to lie within institutional, financial and governance systems which are best addressed through advocacy. Most countries where WASH is a priority have advocacy platforms which could be strengthened by private sector voices. Note that the CEO Water Mandate's Integrity Guidelines and Framework for collective action on water are likely to be a valuable reference here.

3.3.3. Potential controversies and risks arising from corporate engagement on WASH must be fully understood and proactively addressed

Company testimony...

Think about the sustainability of interventions from the beginning. What are you funding and how will it be maintained after your initial involvement? Are there suitable structures in place, such as co-operatives and water committees? Will they be able to manage and finance after your involvement ends?

You can't hit one element without hitting them all. We don't want a bespoke approach for each site or each issue.

If we are going to push this through supply chains, where does our responsibility begin and end?

I don't think we want to narrowly focus on WASH given priorities on forced and child labour, as well as land tenure.

Informants emphasized that efforts to improve performance on WASH should not cause fragmentation or result in standalone action and initiatives. They should be embedded and integrated into existing and holistic efforts to strengthen the resilience and sustainability of supply chains (i.e. work through existing standards and systems, rather than creating new ones).

Stakeholders should also be conscious of potential perverse outcomes. For example, corporate action on WASH has potential to drag limited technical and governance expertise and public finance away from the needs of the most vulnerable, towards the needs of those working within supply chains (who may be relatively better off). Rightly, there is sensitivity and potential controversy in driving private sector action on public sector mandates such as water supply and sanitation. Reconciling such issues is handled within the CEO Water Mandate Guidelines and Integrity Framework and should not be an insurmountable barrier to constructive action. The Framework sets out guidance for ensuring high levels of integrity within collective action on WASH to avoid these perverse outcomes. Initiatives with integrity ideally have:

1. **Clear objectives and demonstrable outcomes that advance sustainable water management**
2. **Trustworthy, credible, and accountable participants**
3. **Inclusive, transparent and responsive processes and governance that lead to informed and balanced decision making**

In terms of appropriate roles and responsibilities for WASH infrastructure and action, the framework advances the imperative of business to 'do no harm' as set out in the Ruggie report³, and delivers on the CEO Water Mandate Principles, including Principle 2:

3 Protect, Respect and Remedy: A Framework for Business and Human Rights, Report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, John Ruggie, 2008

Respecting public and private roles. Responsible corporate engagement in water policy entails ensuring that activities do not infringe upon, but rather support, the government's mandate and responsibilities to develop and implement water policy. This includes business commitment to work within a well-regulated (and enforced) environment.

Appropriate spheres of responsibility and expectations should be set out to support this agenda, and it is recommended that a progressive stance is taken. This should not necessarily entail the direct creation and ownership by businesses of community WASH infrastructure, which can often have murky and unsustainable ownership, operation and maintenance arrangements, and lead to unhelpful fragmentation of water services. Instead it should drive strategic engagement by companies in support of sustainable long-term local provision by the locally mandated entity, be that a local government, utility or community-based water supply organisation. The nature and focus of engagement should always be determined by the local context and could range from analysis and advocacy, to co-investment and capacity building. It should also recognise the roles and responsibilities of a business which, it is argued here, extend to:

- Ensuring prescribed levels of access to WASH for workers on their own farms and factories, and those of sub-contractors and suppliers.
- Proactive action to assess performance against prescribed levels of access to WASH within communities where employees live, and action to improve access where this is a priority.
- Ensuring no negative impacts of the business and its growth on the adequacy of local WASH infrastructure or the ability of communities to access sustainable water supply and sanitation (through, for example, inward migration of workers and overburdening of infrastructure).

4. Conclusion

Based on this analysis and extensive stakeholder interaction, the opportunities for driving progress on global WASH targets through engaging with corporate supply chains and standard systems appear to be significant. We have also highlighted recommendations and next steps for delivering on the array of opportunities for review by the commissioning partners and the wider WASH and stewardship community. Delivery against these, and the prioritisation of monitoring, evaluation and learning, will make an important contribution to the water stewardship agenda and collective realization of SDG6.

Appendices

Appendix 1. Summary of recommendations for strengthening approaches to WASH emerging from analysis of standards

Table A1 below summarises the opportunities for engagement identified in relation to the nine standards systems analysed. Note that exploration of the Bon Sucro standard is also strongly recommended, given its use in countries of WASH interest and the prevalence of outgrower models in sugar farming. We have prioritised options in terms of factors including:

- Appetite to engage with partners on WASH.
- Concrete offers of collaboration.
- Coverage in WASH challenged countries (using WaterAid CPs as a proxy indicator).
- Current approach to WASH in standard or guidance.
- Status of standard revision process.

Table A1. Opportunities via direct engagement with individual standards systems

Standard system	WaterAid country programs ⁴	Commodity or supply chain	Opportunity 1	Opportunity 2	Opportunity 3	Additional info
Fairtrade	All	Cocoa: Opportunity to influence all 18 agricultural, horticultural, textile and manufacturing lines.	Case study project: Collaboration with Fairtrade and partner Mondelez on supply chains for Cadbury brands across multiple countries.	Standard system: Strengthening system outside of revision process by advocating for harmonisation of existing WASH criteria in all Fairtrade Standards.	Standard system: Strengthening of all standards via development of thematic focus on WASH, similar to current programmes on gender, worker rights and child labour. Revisions for each standard are staggered, development of thematic focus could be quick route to upgrading.	As the leading standard system by scale in the ISEAL Alliance, Fairtrade will likely have a high degree of influence and reach.
Alliance for Water Stewardship (AWS)	All: Regional officers leading networks in Asia, Africa and Central America.	Dairy, rice and brewing ag-inputs: Opportunity to influence multiple business sectors facing water risks.	Case study project: Collaboration with WWI and AWS member and WaterAid partner Diageo in small-holder farming supply chains in Tanzania and rice co-ops in Malawi.	Case study project: Collaboration with AWS member GSK on dairy supply chain in India.	Standard system: Opportunity for AWS member WaterAid to lead on WASH in 2017-18 standard review process.	As current best practice in standards systems on water and WASH (as expressed by interviewees), AWS can play a role guiding uptake of WASH across other systems.
SAN-Rainforest Alliance		Tea: Opportunity to influence other commodities. Main product lines of SAN are cocoa, coffee, tea, banana, pineapple.	Case study project: Offer of a collaboration with SAN-Rainforest Alliance in tea plantations in India and Kenya. Findings would be shared across SAN-RA network and standards.	Standard system: Strengthening of criteria and indicators and development of WASH guidance. Next review is 2021. Updates to system may not be possible before then – for partners to discuss with SAN-RA.		Standards and Policy Director will be in India in March, if WaterAid India and WBCSD India were interested in meeting.
Better Cotton Initiative	12: Kenya, Mali, Mozambique, Burkina Faso, Ethiopia, Ghana, Malawi, Tanzania, Zambia, India, Pakistan.	Cotton	Standard system: Strengthening of standard criteria and development of guidance.	Training: BCI would welcome developing training programmes which they could then take on and cascade through local country networks.	Standard system: BCI would welcome advice from WBCSD on strengthening guidance and indicators on working conditions.	BCI currently in standard revision process, so contact ASAP would be preferred.

⁴ Africa – Eastern Africa: Ethiopia, Kenya, Rwanda, Tanzania, Uganda; Southern Africa – Lesotho, Madagascar, Malawi, Mozambique, South Africa, Swaziland, Zambia; West Africa – Burkina Faso, Ghana, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone
The Americas – United States, Canada, Colombia, Nicaragua; Europe – Sweden, United Kingdom
Asia and Pacific – Australia, Bangladesh, Cambodia, India, Japan, Laos, Myanmar, Nepal, Pakistan, Papua New Guinea, Solomon Islands, Timor-Leste

4C – Global Coffee Platform	14: Colombia, Nicaragua, Papua New Guinea, Solomon Islands, India, Cambodia, Laos, Myanmar, Ghana, Kenya, Madagascar, Nigeria, Tanzania, Uganda.	Coffee	Case study project: Pilot project on low bar adaptive approaches to water, sanitation and hygiene suitable for universal uptake in sector.	Standard system: Strengthening of standard criteria and development of guidance. Strengthening may be dependent upon testing of criteria in pilot project.		As Fairtrade, UTZ Certified and SAN-Rainforest Alliance are members of GCP, opportunity to co-ordinate across all coffee standards.
UTZ Certified	12: Colombia, Nicaragua, Ethiopia, Ghana, Kenya, Malawi, Nigeria, Rwanda, Sierra Leone, Tanzania, Uganda, Zambia.	Coffee, Cocoa, Tea, Rooibos	Case study projects: UTZ Certified are open to discussing learning projects in each of the four crops they certify.	Standard system: Strengthening of criteria and indicators and development of bespoke WASH guidance. Standard revision due in 2018.		
Forest Stewardship Council (FSC)	17: Bangladesh, Cambodia, Colombia, Ghana, India, Kenya, Laos, Madagascar, Malawi, Mali, Mozambique, Myanmar, Nepal, Nicaragua, Nigeria, Pakistan, Swaziland.	Forestry	Standard system: Strengthening of criteria and indicators and development of WASH guidance.			There may be potential in their work on ecosystem services and water resources.
GLOBALG.A.P.	17: Kenya, Madagascar, India, Colombia, Tanzania have significant market penetration. Pakistan, Nicaragua, Bangladesh, Laos, Mali, Ghana, Mozambique, Ethiopia, Uganda, Swaziland, Zambia, Lesotho have lower coverage levels.	Crops: Combinable crops, flowers and ornamentals, fruit and vegetables, plant propagation material, tea. Livestock: Cattles and sheep – meat and dairy, calf and young beef, pigs, poultry, turkey. Other: Aquaculture, animal feed.	Standard system: Strengthening of IFA All Farm Base module criteria and development of guidance.			
Roundtable for Sustainable Palm Oil (RSPO)	7: Colombia, Ghana, Liberia, Nigeria, Papua New Guinea, Sierra Leone.	Palm Oil	Case study project: Some interest in a learning project to assess and act on WASH issues in sub-Saharan Africa. Market for palm oil production is relatively small in sub-Saharan Africa.	Standard system: Strengthening of standard criteria and development of guidance.		Standard review process begins February 2017. Closed to members but several affiliates of partners are members. WWF chairing review.

Table A2 presents the results of analysis of ISEAL, ILO, IFC, FAO and OECD. Collaboration with these organisations on their guidance offers a very significant opportunity to leverage action on WASH.

Table A2. Potential opportunities via collaboration with ISEAL and advocacy to IFC, ILO, FAO, OECD

Organisation	Priority	Opportunity	Rationale
ISEAL	High	<ol style="list-style-type: none"> 1. Advocacy to all ISEAL standards systems on approaches to WASH through webinars, working groups, etc. 2. Joint communications on the role that standards systems could play in supporting action on SDG6. 	ISEAL could be a useful vehicle to drive improvements in WASH across all standards systems. Two of the standards systems in the report – Fairtrade and BCI – have asked that ISEAL are involved in any efforts to improve action on WASH through standards systems, so as to ensure consistency of outcomes.
International Labour Organization (ILO)	High	<ol style="list-style-type: none"> 1. Advocacy to the ILO Standards Review Mechanism Tripartite Working Group to strengthen the ILO conventions which relate to working conditions for supply chain workers – for example, and in particular, ILO Convention 184 Safety and Health in Agriculture. 2. Advocacy to ISEAL standards systems to match the commitments within current and revised ILO standards. 	ILO Conventions are the most frequently cited guidance referenced in standards systems.
International Financial Corporation (IFC)	High	Advocacy to the IFC to strengthen their Performance Standards approaches to water, sanitation and hygiene.	IFC Performance Standards have significant direct leverage over the standards on working conditions adhered to by the multi-nationals and corporate businesses which the IFC invest in. In addition, it is vital that guidance offered by an organisation with a global influence over businesses meets good standards of practice.
Organisation for Economic Co-operation and Development (OECD)	Medium	Advocacy to the OECD to strengthen the approach to WASH within the OECD Guidelines for Multi-National Enterprises. Propose strengthening – i) Model Policy Document and ii) Five Step Framework for Due Diligence.	Vital that guidance offered by an organisation with a global influence over businesses meets good standards of practice.
Food and Agricultural Organization (FAO)	Medium	Advocacy to the FAO to strengthen the FAO Sustainability Assessment of Food Systems (SAFA) guidance and indicators for SME and large companies.	Vital that guidance offered by an organisation with a global influence over businesses meets good standards of practice.

Appendix 2. Criteria to consider within an idealised approach to WASH in supply chains (and at operational sites)

This appendix is intended to provide a brief (and likely incomplete) overview of issues to be considered when developing an idealised approach to WASH in supply chains. It is **NOT** intended to form that idealised approach which requires stakeholder collaboration to ensure ownership and relevance.

It is recommended that in developing this idealised approach, wide collaboration and a holistic handling of water are prioritised to avoid fragmentation and inefficiencies.

It is also recommended that blanket prescriptions should be avoided, and that rather, a risk-based approach be adopted which sets progressively more stringent requirements which are proportional to hazard exposure and vulnerability. For example, a series of *de minimis* levels could be established based on headcount and/or farm size, or national WASH status, below which requirements are less exacting.

Criteria and indicators should consider:

Quantity of potable water: Within certain distance, drink breaks, and volumes available linked to temperature and level of activity.

Quality: Compliance with WHO and national standards, water safety plans in place and operational for all sources of water used on site, where necessary provide treatment and maintenance regime; testing spec; Steritabs, etc.

Sanitation: ‘Improved sanitation’, numbers per toilet, gendered access with doors, inspected/cleaned, not causing pollution, distance to and breaks to use. Promotion campaigns in areas where incidence/risk of open defecation exists.

Hygiene: Handwashing facility, running water with soap. Inspection regime to check adequacy of menstrual hygiene facilities and gendered provision. Hygiene education and audit.

Field-based solutions: Set protocols for distance to latrines/water based on factors including regularity of visits to field site, numbers of workers. Explore option of trowel, training and hand-sanitizer where field infrastructure is unrealistic i.e. on distant and rarely visited sites. Faeces buried at certain depth away from crop/receptor, human passage; curtaining or portable cubicle available; strong water bottles of certain volume issued free of charge/used.

Community level (where workers live): water/WASH security scan, reporting on status of access using JMP framework, key problems/risks, action planning, advocacy.

National advocacy: default to advocate within sector dialogue process where progress/coverage falls below target.

‘Do no harm’ – meeting obligations on community infrastructure: some criteria to ensure that where a business causes demographic change/inward migration, it works with government to ensure services are not overloaded/are adequate (cf. development planning role in UK).



WaterAid, 47-49 Durham Street, London SE11 5JD
Tel: 020 7793 4500 www.wateraid.org

Registered charity numbers 288701 (England and Wales) and SC039479 (Scotland)