



The CEO Water Mandate

Constitution of the CEO Water Mandate

An initiative by business leaders in partnership with the UN Global Compact and
the international community



Preamble

The CEO Water Mandate (the *Mandate*) was launched in July 2007. The Mandate is a voluntary, business-led initiative in partnership with the UN Global Compact. Upon signing the Mandate, Chief Executive Officers commit their organizations to undertake actions in the six areas covered by the Mandate: Direct Operations; Supply Chain and Watershed Management; Collective Action; Public Policy; Community Engagement; and Transparency.

This constitution (the *Constitution*) provides a framework for the cooperation between the signatories of the Mandate and the UN Global Compact and defines the governance of the initiative.

Mission

The CEO Water Mandate seeks to make a positive impact with respect to the emerging global water crisis by mobilizing a critical mass of business leaders to advance water sustainability solutions – in partnership with the United Nations, civil society organizations, governments, and other stakeholders.

Endorsers of the CEO Water Mandate recognize that through individual and collective action they can contribute to the vision of the UN Global Compact and the realization of the Millennium Development Goals.

Core activities of the initiative include:

- **Supporting endorsers in their implementation** of the Mandate elements through working symposiums, guidance documents and resources, and information provision and research
- **Increasing awareness** of the Mandate in general, and encouraging endorsement of the initiative
- **Networking signatories and stakeholders (including relevant UN agencies)** around Mandate implementation

1. Nature of the Mandate

The Mandate is a non-profit voluntary initiative by and among endorsing companies in partnership with the UN Global Compact and the Government of Sweden. In terms of its core activities, the Mandate pursues a multi-stakeholder approach, involving non-business stakeholders, including civil society groups, specialized institutes and nonprofits, UN agencies, and other organizations.

The Mandate is governed by a Steering Committee of ten corporate representatives and one representative of the UN Global Compact Office (see Governance below), with



strategic, administrative and financial arrangements determined by the Steering Committee – other than those expected or required to be determined during the semi-annual, general endorsers meetings. It is supported by a secretariat (the Secretariat), resourced within the UN Global Compact Office.

2. Endorser Eligibility and Public Status

1. Endorsers of the CEO Water Mandate must be lawfully established business enterprises, either public or private, committed to implementing the Mandate elements.
2. Endorsers must be signatories of the UN Global Compact initiative, or have the stated intention of joining the UN Global Compact initiative after six months of endorsing the CEO Water Mandate.
3. Upon endorsing the Mandate, the Secretariat will, in a timely manner, post the name of the endorsing Chief Executive Officer and the associated company on the CEO Water Mandate section of the UN Global Compact website.
4. Pursuant to the Transparency Policy of the CEO Water Mandate (see Engagement and Participation), the Secretariat shall decide on companies deemed to be “non-communicating” or those that should be de-listed.

3. Engagement and Participation

1. As endorsers of the Mandate, Chief Executive Officers and their companies commit to implementing the six elements of the Mandate over time – through individual and collective efforts.
2. With respect to collective efforts and the related sharing of best and emerging practices, endorsers take part in semi-annual working symposiums that are organized by the UN Global Compact Office and supported financially by the endorsers, via the Foundation for the Global Compact.
3. As part of their commitment, companies pledge to disclose annually the ways in which they are implementing the Mandate elements. The reporting and disclosure dimension of the Mandate is captured in the Transparency Policy which includes the following:
 - a. Endorsers are required to communicate with their stakeholders on an annual basis about progress in implementing the Mandate’s six elements.
 - b. A CEO Water Mandate “Communication on Progress” (COP-Water) is an important demonstration of a participant’s commitment to the initiative and its objectives, and as such, failure to prepare a publicly available COP-Water report will result in the change of status (to “non-communicating”) and eventually in the delisting of an endorser from the Mandate – a necessary measure to protect the integrity of the initiative. COP-Water is also a tool to facilitate internal and peer learning, to stimulate dialogue and promote action.
 - c. While there is no specific format for a COP-Water, it must include the following three basic elements:



- *Statement of continued support* for the UN Global Compact's CEO Water Mandate.
 - *Description of policies and practical actions* that participants have taken to implement the CEO Water Mandate elements since joining the initiative or since the endorser's most recent COP-Water. The minimum requirement is to explicitly address past or planned activities for all of the CEO Water Mandate elements. It is expected that within five years, the COP-Water will address concrete activities and, if applicable, policies, that reflect the company's implementation of all six of the CEO Water Mandate elements.
 - *Measurement of outcomes* or expected future outcomes using, as much as possible, broadly-accepted water-related indicators or metrics, for example those in the GRI G3 Guidelines. At minimum, the COP-Water must contain a definition of performance indicators, a basic measurement (qualitative and/or quantitative) of outcomes, or future expected outcomes, related to the CEO Water Mandate elements.
- d. Endorsers are required to post a first COP-Water within one year from the date of joining the Mandate; all subsequent COPs-Water are due within one year following the previous COP-Water posting (see Transparency Policy for additional details). Should a company fail to meet their COP-Water deadline, they will be marked as "non-communicating" on the CEO Water Mandate website. Further, should a company also miss the second COP-Water deadline after an additional year, the company will be removed from the list of CEO Water Mandate endorsing companies. To return to active endorser status, a company must post a COP-Water that meets the basic requirements of the Transparency Policy.
- e. A grace period of up to 90 days may be granted by the Secretariat to those endorsers that contact the Secretariat and provide a reasonable explanation for the delay in communication (e.g. changes to reporting cycles, staffing and other challenges).

4. Governance of the Mandate

1. The Mandate shall be governed by the Steering Committee, charged with strategic, administrative and financial arrangements – other than those expected or required to be determined during the semi-annual, general endorser meetings.
2. Every semi-annual working symposium will include a general endorser-only discussion where major strategic, administrative and/or financial issues will be discussed, as necessary.
3. The Steering Committee will be composed of ten corporate representatives, representing different geographies and serving staggered two-year terms (with five seats expiring annually), and one representative of the UN Global Compact Office.



4. The Mandate will, in its first three years of operation, seek to fill the following regional positions with respect to the Steering Committee:
 - i. North America (two representatives)
 - ii. Europe (two)
 - iii. Africa and Middle East (two)
 - iv. Asia and Oceania (two)
 - v. Latin America (two)
5. The Steering Committee may choose to appoint Special Advisors to the Steering Committee, representing different stakeholder interests and spheres, including non-profit, civil society, and other sectors.
6. The Steering Committee will seek to make decisions based on a consensus model. When consensus cannot be reached, a simple majority vote will decide matters.
7. The Steering Committee will conduct at least 4-6 conference calls per year, to be organized and facilitated by the Secretariat.

5. Finances

1. The Mandate will have a voluntary fee and sponsorship structure to help fund the work program.
2. The Secretariat will develop annual work programs and related budgets for review and approval by the Steering Committee.
3. A “two-track” financing structure will be employed, taking the form of modest annual voluntary contributions from endorsers (based on turnover), and special sponsorships related to the semi-annual working symposiums and “big-scale” projects.
4. The Foundation for the Global Compact, a registered U.S. 501(c)(3), will serve as the financial intermediary, collecting and dispersing funds.
5. In terms of track two, sponsorships will be offered to cover the costs of the semi-annual working conferences, and for other “big-scale” projects. With respect to the conferences, the formula (based on the average cost of a conference) will be to pursue several sponsorships of approximately equal value.

6. Intellectual Property and Logo Use

1. Endorsing companies are free to use the “We Support The CEO Water Mandate” logo in all corporate communications related to the organization’s work with respect to the Mandate.
2. Companies that have been identified as non-communicating (based on the Transparency Policy) are prohibited from using the logo.
3. Use of the UN Global Compact name and logo is governed by the UN Global Compact Office’s logo-use policy.



7. Changes to the Constitution

1. The Constitution may be amended by a resolution approved by not less than 50 percent of the endorsing companies either by letter ballot or by a vote taken by those present at a general endorser's meeting.

8. Changes to the Mandate and Its Six Elements

1. Changes to the Mandate and its six elements shall be led by the Steering Committee and conducted through wide consultation with endorser and other stakeholders.
2. Any changes to the Mandate must be proposed by the Steering Committee after such consultation, and the procedure to be followed for its amendment is the same as for changes to the Constitution.

#

[Note: this Constitution was codified in November 2008. In September 2009, the Constitution was revised to eliminate the reference (previously 5.4) to precise suggested financial contribution ranges, as the Steering Committee agreed that these amounts could be subject to periodic ongoing change. In June 2010, this Constitution was revised, upon a decision of endorser, to indicate the members of the Steering Committee will henceforth serve staggered two-year terms.]