



Scaling-up WASH action in Companies' Supply Chains: Promoting Sustainable Growth

Stockholm World Water Week 2016

Thursday 1 September, 11:00 – 12:30

Objectives of this session

- Follow up on last year's session 'Accelerating Corporate Action on WASH'
- Present the findings of the collaborative research project on 'Scaling Corporate Action on WASH in Supply Chains'
- Gather additional insight from corporates, academics, NGOs and government on:
 - Challenges and barriers to action
 - Types of guidance and tools needed by corporates to accelerate action in their supply chains



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Agenda

11:05	Findings from the collaborative action research project by CEO Water Mandate, WaterAid and WBCSD
11:20	Challenges to action in corporate supply chains and potential solutions Panel discussion
11:45	Mapping solutions and identifying further need for guidance Facilitated breakout discussion
12:10	Feedback from breakout discussions and discussions on way forward Panel discussion
12:25	Concluding remarks



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Findings of the collaborative research project: *Scaling Corporate Action on WASH in Supply Chains*



Tatiana Fedotova (WBCSD) and Mai-Lan Ha (CEO Water Mandate)



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Background & Objectives

Background:

- Stockholm World Water 2015 – Joint meeting by the Mandate, WaterAid, and WBCSD focused on understanding how to Accelerate Corporate Action on WASH
- Discussions led to the identification of the need for research on how to address WASH in companies' supply chains

Objectives:

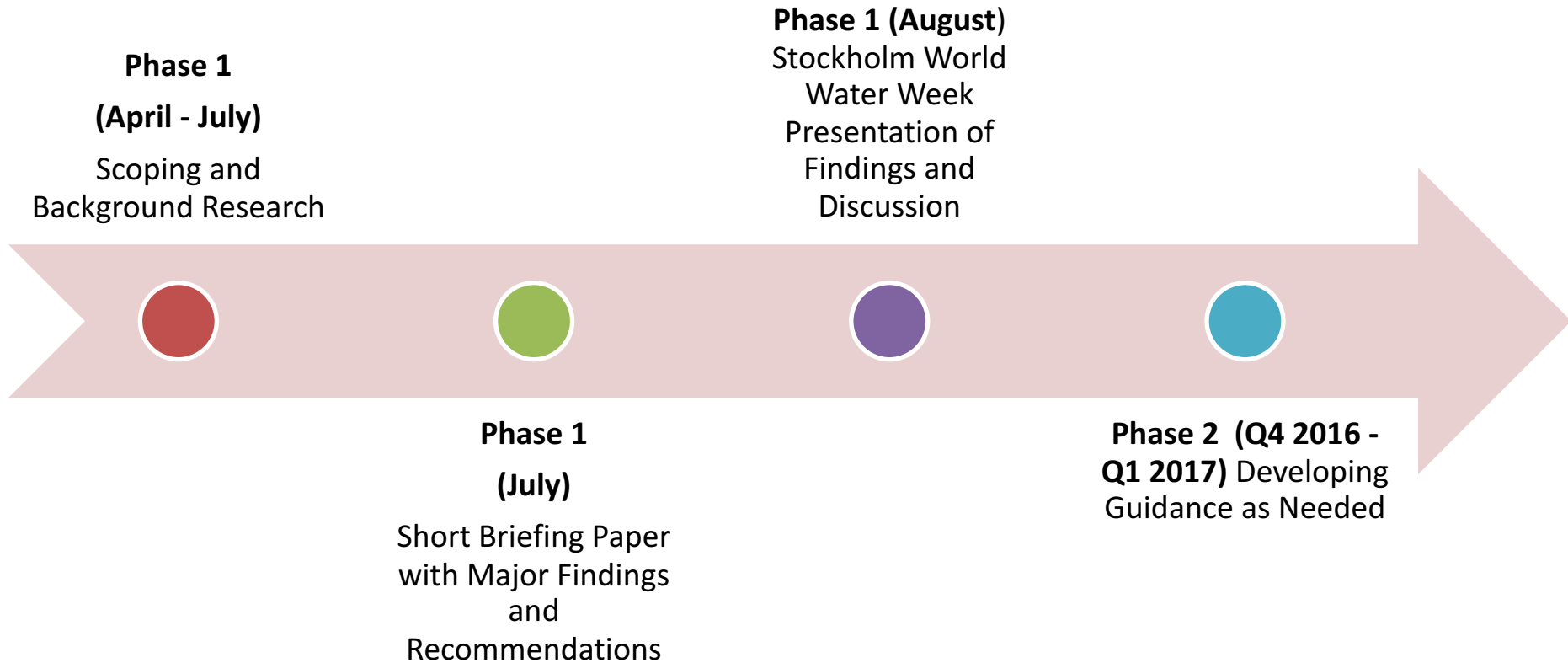
- Understand current obstacles to improving WASH in companies' supply chains, particularly in key sectors such as forestry and agriculture
- Explore and develop guidance, tools, and resources needed to help companies leverage improved WASH in their supply chains,
- Explore the potential for developing and/or utilizing existing collaboration platforms



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Timeline



Phase 1: Scoping and Background research

Key Elements:

- 1) Understanding companies' supply chains
- 2) Approaches to supply chain sustainability
- 3) Approaches companies are taking to address WASH – success and challenges

Methodology:

- Desk based research (codes of conduct, publicly available information)
- Interviews
 - 10 completed (Levi's, Olam, Diageo, UNICEF, SEDEX, H&M, Unilever, Nestle, Gap)

White Paper Outline

Section 1: Introduction

Section 2: Supply Chains and WASH Challenges

Section 3: Company Approaches to Addressing WASH

Section 4: Issues on the Frontier

Section 5: Next Steps



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Business Case for WASH

- Global economic losses of \$260 billion every year, largely due to lost time and productivity (WHO, 2012)
- Basic WASH = robust economy, benefit to cost ratio as high as 7:1 in developing countries (OECD 2011, 2012)
- Generalized understanding at the macro level that good WASH leads to healthier workers and communities = increased productive and reductions in absenteeism

HERproject: Levi Strauss
Absenteeism fell by 55% and turnover has dropped from 50% to 12%. One factory calculated a \$4:\$1 ROI.

- Site level data on WASH interventions and business outcome insufficient

Supply Chain and WASH Challenges: Highlights

- Need to address water-related issues, including WASH in companies' supply chains
- WASH is but one of many sustainability issues that is being addressed

Hardware Related WASH Issues – Examples	Applicable Context
Absence of potable water, toilets, or handwashing facilities	Factories and farms
Absence of adequate menstrual hygiene materials and services for their disposal	Factories and farms
Absence of hot water and unsanitary conditions in dormitories	Factories and farms
Inability to access potable water, sanitation, and hygiene services due to work schedules	Factories and Farms
Inability to access potable water, sanitation, and hygiene services due to incentive structure	Farms

Supply Chain and WASH Challenges: Highlights

- Behavioral change components are intricately linked to social norms
- Addressing WASH in supply chains more difficult given differences in local water governance

Behavioral change components of WASH - Examples

Cultural Acceptability of Sanitation Services

- Understanding what type of sanitation services are culturally acceptable and will be used for a certain community

Increasing Workers' Understanding of the Importance of Proper Hygiene

- Finding mechanisms to motivating them to wash their hands

Cultural Barriers on Discussions around Menstrual Hygiene

- Difficulty raising menstrual hygiene matters with male managers
- Managers don't understand the need for additional time in the toilet or washroom

Absence of information on good practices on menstrual hygiene

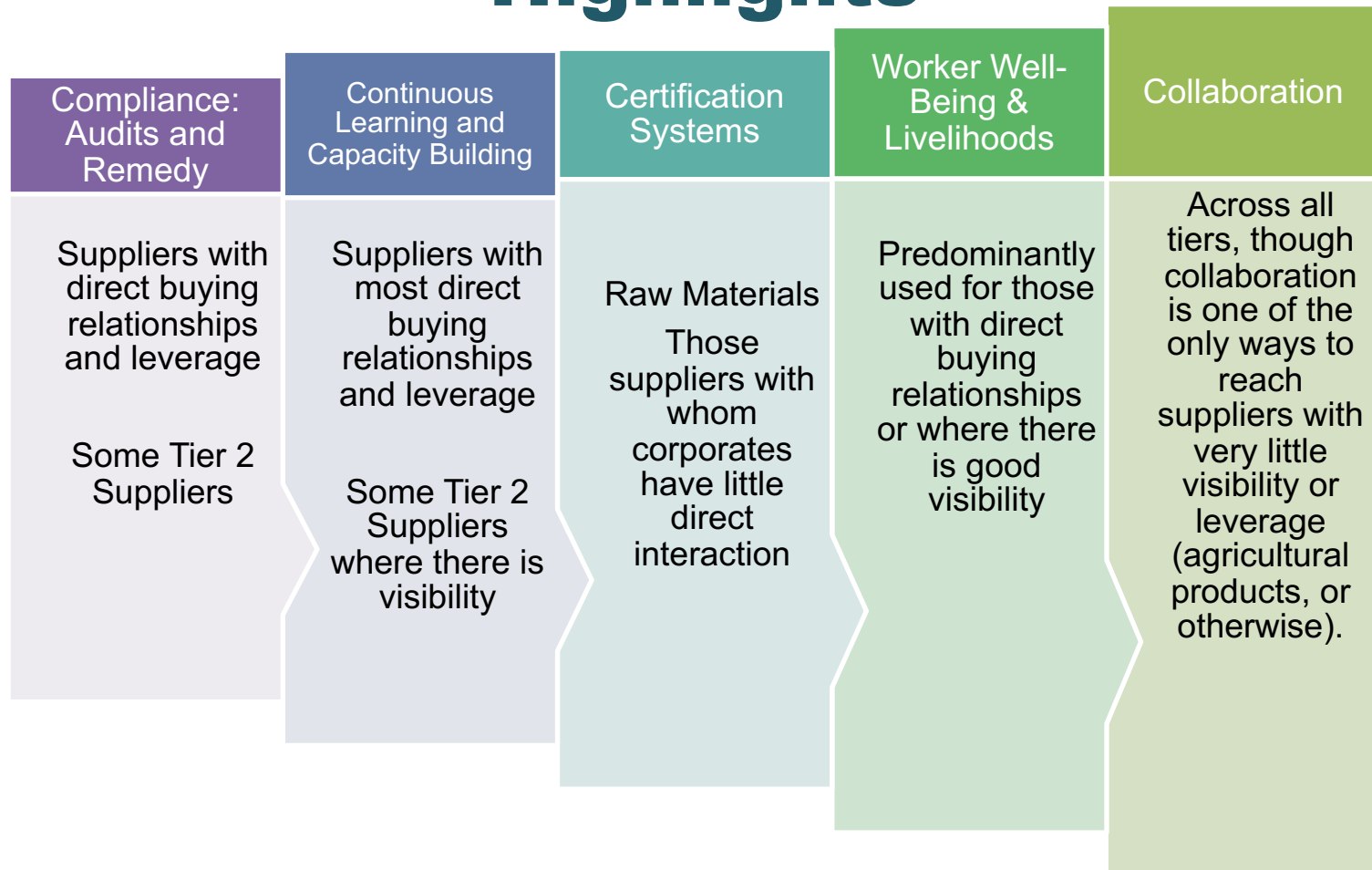
Understanding that good hygiene practice is critical to product quality (such as in production of food and beverages)



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Company Approaches to WASH: Highlights



Issues on the Frontier

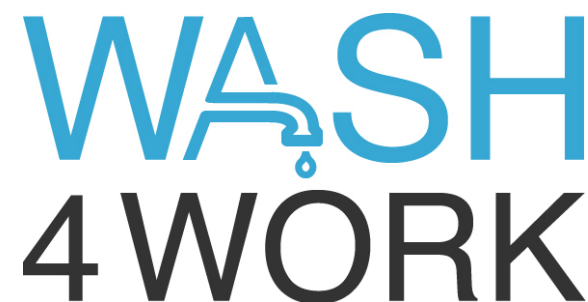
- 1) Absence of guidance for agriculture based interventions
- 2) Connection between workplace and community centered WASH programs
- 3) Addressing WASH in areas of weak governance

Potential Actions to Improve WASH in Supply Chains

Area of action	Type of Action
Audits	<ul style="list-style-type: none">Establish a common minimum standard for WASH, including hardware and behavioral elements.Develop guidance for transition from compliance to capacity-building culture.
Certification	<ul style="list-style-type: none">Standardize WASH elements in certification schemes. (Roundtable on Sustainable Palm Oil, Rainforest Alliance, Forest Stewardship, etc.)
Industry-led Platforms	<ul style="list-style-type: none">Integrate WASH components into industry led efforts (such as SAI Platform, Sustainable Apparel Coalition, Electronic Industry Citizenship Coalition)
Scaling / strengthening “bottom up” well-being and livelihood programs	<ul style="list-style-type: none">Replicate and scale “bottom up” approaches that focus on needs of workers at farm or factory level.Coordinate partnerships and collective action activities to advance WASH in strategic geographies.
Clarifying company / government role	<ul style="list-style-type: none">Developing guidance / a toolkit that delineates roles that companies can play in supporting government action on WASH. Guidance would be developed in partnership with government.

The WASH4Work Initiative

Mobilize business action to address WASH Challenges in the workplace, in communities where companies operate, and across supply chains.



<http://www.wateractionhub.org/wash4work>



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Challenges to action in corporate supply chains and potential solutions

Panel discussion



Jeffrey Eisenbraun



Nick Hepworth

Gap Inc.

Lisa Hook



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Mapping solutions and identifying further need for guidance



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Feedback from breakout discussions and discussion on way forward



Chris Brown

DIAGEO

Michael Alexander

Gap Inc.

Lisa Hook



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Next steps

- White paper available online on:
 - <http://www.wateraid.org/policy-practice-and-advocacy/stockholm-world-water-week-2016>
 - Feedback welcome until **Friday 16 September**
- Contributions from today's session will be circulated to all attendees by end of September
 - Make sure to leave your business card or sign the attendee sheet to receive a copy
- Phase 2 – Developing tools and guidance to support corporate action on WASH will start in end of 2016
 - White paper likely to be supplemented with field research in the coming months
- All of our work will also feed in to the new [WASH4Work](#) initiative – which all three organisations (WBCSD, WaterAid, CEO Water Mandate) are involved in



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Thank you!

Questions/Comments?

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