



# The CEO **Water** Mandate



## Stockholm World Water Week and 14<sup>th</sup> Working Conference Meeting Summary

**August 25-26, 2015**



United Nations Global Compact



# Key Takeaways

- Companies can contribute to improving the conditions that create water-related business risk, while also contributing to achieving the SDGs.
- Scaling up water stewardship will require closing the gap between leaders and learners, and the development of tools and resources for companies just beginning to address water management in a holistic way.
- Companies have a significant role to play in helping to address water security issues via collaborations with local and national governments, but there are significant challenges to policy engagement and collective action.
- The development of good metrics and data will be critical in demonstrating the impact of corporate water stewardship efforts and their contribution to the 2030 Sustainable Development Goals (SDGs).



**Tuesday, August 25, 2015, H&M Headquarters**

## **Tools and Approaches for Improving Water Stewardship Performance**

- **Making the Business Case for Water Stewardship**
- **Improving the Effectiveness and Credibility of Corporate Water Stewardship Collective Action**
- **Sharing Best Practices through the Mandate's Water Stewardship Toolbox**

**Wednesday, August 26, 2015, Radisson Blu Waterfront Hotel & Conference Centre**

## **Corporate Water Stewardship in Support of a Water and Sanitation SDG**

- **Corporate Water Stewardship and SDG6 on Water and Sanitation: From Vision to Action**
- **Metrics for a Smarter Water Future: Linking Measurement of Corporate Water Stewardship Practice with the Indicator System Underpinning a Water SDG**



The CEO **Water** Mandate

**Tuesday, August 25, 2015, H&M Headquarters**

# **Tools and Approaches for Improving Water Stewardship Performance**

## **Presenters**

- Gavin Power, Head, CEO Water Mandate; Deputy Director, UN Global Compact
- Robert Greenwood, Principal, Ross Strategic (meeting facilitator)
- Jason Morrison, Technical Director, CEO Water Mandate; Program Director, Pacific Institute
- Cate Lamb, Head of Water, CDP
- Alexis Morgan, Water Stewardship Specialist, WWF International
- Jean-Paul Penrose, Senior Water Resources Adviser, Climate & Environment Department, UK Department for International Development
- Mai-Lan Ha, Advisor, CEO Water Mandate; Senior Research Associate, Pacific Institute
- Lotte Feuerstein, Programme Coordinator Tools and Methodologies, Water Integrity Network
- Heather Rippman, Advisor, CEO Water Mandate; Senior Research Associate, Pacific Institute

## **Discussion Panelists**

- Michael Dickstein, Director Global Sustainable Development, Heineken International
- Joyce Tsoi, Global Environmental Programs and Tien Shiao, Relations Responsible Sustainability, H&M
- Naty Barak, Chief Sustainability Officer, Netafim
- Dan Bena, Sustainable Development and Operations Outreach, and Liese Dallbauman, Director – Water Stewardship, PepsiCo International



The CEO **Water** Mandate

## Session 1: Making the Business Case for Water Stewardship Key Messages

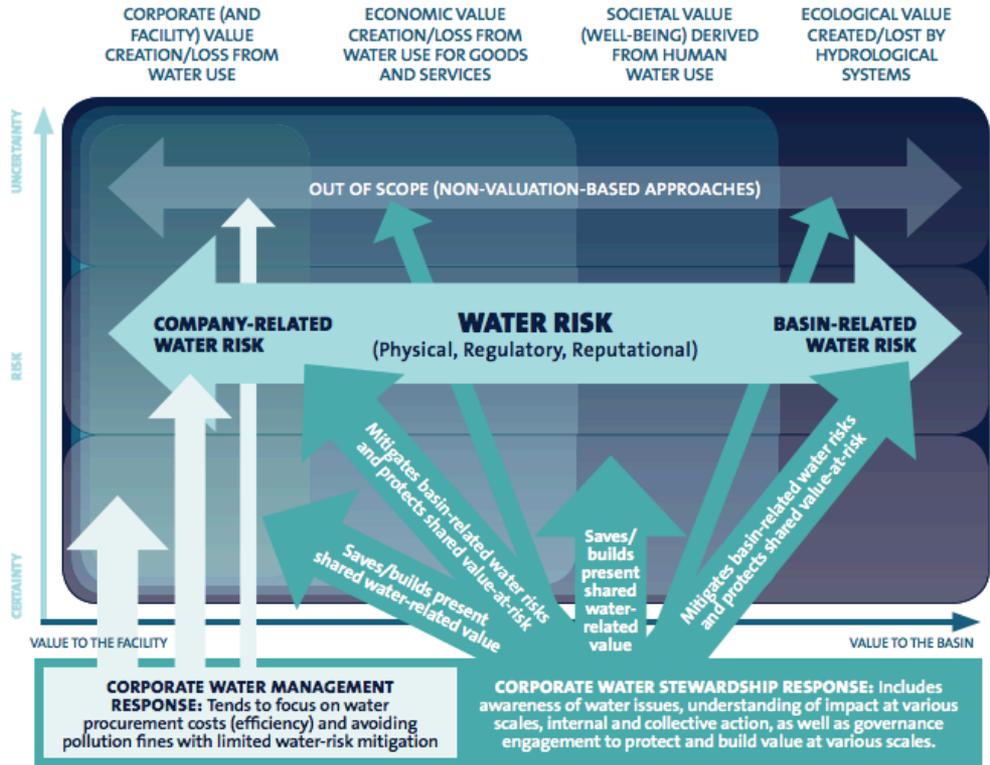
- The relatively small number of companies that are successfully implementing corporate water stewardship (CWS) demonstrates how difficult it continues to be.
  - This is due to inadequate strategies to implement good practices, the need for clear and more practical guidance and tools, and a failure to articulate a clear business case.
- Scaling up water stewardship will require closing the gap between leaders and learners. Leaders in water stewardship require a better evidence base to pursue collective action.
  - Many companies just starting in water stewardship need assistance to address basic issues such as understanding their source(s) of water, water-related risks, and how to improve water use efficiency, etc.
  - Additional guidance, incentives, and data around impacts are needed to assist companies to undertake collective action.



# Session 1: Making the Business Case for Water Stewardship Key Messages (continued)

- Business case for stewardship depends on who you are; the value of water can be accounted for via a range of monetary and social values.
- The value proposition for water is very different at the facility level, corporate level, and the basin level.
- Using a water stewardship approach to account for the corporate, economic, societal, and ecological value of water provides opportunities to maximize long-term shareholder value and social value.

FIGURE C. Overlaying corporate management and stewardship



“The Vale of Water: Discussion Draft.” Morgan, Alexis and Orr, Stewart. 2015



# Session 2: Improving the Effectiveness and Credibility of Corporate Water Stewardship Collective Action Key Messages

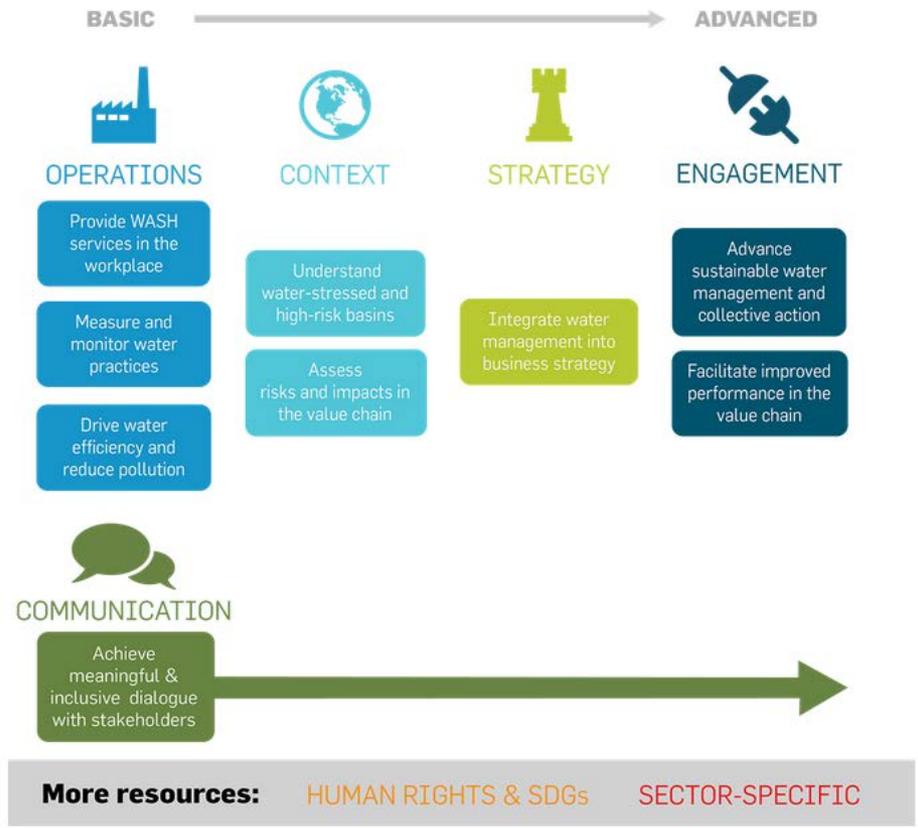
- Companies have a significant role to play in helping to address water security issues via collaborations with local and national governments.
- Private sector engagement via collective action holds a variety of integrity risks and must be managed appropriately.
  - This is particularly true where local water governance is weak and/or civil society groups lack capacity or are nonexistent.
- The CEO Water Mandate and Water Integrity Network’s [Guide to Managing Integrity in Water Stewardship Initiatives](#) establishes a practical framework for ensuring high levels of integrity in watershed level, multi-stakeholder water stewardship initiatives and provides management processes to improve their impacts and effectiveness through higher levels of integrity.

	PHASE 1: INCUBATION AND INITIAL ANALYSIS	PHASE 2: WSI FORMALIZATION	PHASE 3: IMPLEMENTATION	PHASE 4: COMPLETION, RENEWAL, OR UPSCALING
<b>Principle 1:</b> Seek to align, support, and strengthen public policy that advances SWM; be careful not to undermine public institutions or water governance.	Undertake a Participatory Context Analysis	Assess Likelihood of Capture Risks and Establish Mechanisms for Monitoring and Oversight		Assess Capture Risks During Completion/ Transformation
<b>Principle 2:</b> Ensure appropriate and balanced representation of interests throughout the course of the WSI.	Identify and Map Interests Affected by the WSI	Determine Affected Stakeholder Representation in the WSI	Monitor Representation and Participation	Engage Affected Stakeholders
<b>Principle 3:</b> Be clear and transparent about the roles and responsibilities of WSI participants, and ensure that their capabilities are adequate (or are sufficiently developed) to fulfill them.	Analyze WSI Participant Records and Incentives	Assign Appropriate Roles and Responsibilities		
<b>Principle 4:</b> Be clear and transparent about water challenge(s) being addressed by the WSI, as well as the agreed scope, and intended benefits.	Undertake a Participatory Context Analysis	Define Scope, Objective and Public Interest of the WSI	Regularly Question and Verify Theory of Change	
<b>Principle 5:</b> Be clear and transparent about how the WSI is to be governed.		Establish Equitable Decision-Making Structures, Communication, and Finance & Determine Corporate Form	Monitor WSI Participation Adherence to Governance	
<b>Principle 6:</b> Track outcomes against the stated objectives of the WSI.		Establish M&E Systems Establish an Exit Strategy	Communicate about WSI Performance	Participatory Final Evaluation and Audit Embed activities and outcomes into existing institutions
<b>Principle 7:</b> Foster an ethos of trust, and establish expectations for behavior of WSI participants.		Clarify Expectations of WSI Behavior		



# Session 3: Sharing Best Practices through the Mandate's Water Stewardship Toolbox

- The Mandate released a beta version of its [Water Stewardship Toolbox](#), an online platform that connects companies to a wide array of stewardship resources and tools that can help them build their practice.
- The Toolbox organizes Mandate-developed, web-based tools and other key water stewardship resources produced by other leading organizations around the water stewardship maturity progression, making it easier to find the right tool at the right time.
- The Toolbox offers a comprehensive collection of resources both for “leading” companies doing advanced water stewardship practice and collective action, and for “learning” companies working on water quality, efficiency, or WASH in operations or supply chain facilities.



## Discussion Key Messages

- Even in leading companies there are two realities; the reality at the corporate level and that at the operations and ground level where local staff may not understand the holistic value of water and/or buy in to water stewardship best practices.
  - Companies need to build awareness of the full value of water across business functions to overcome barriers to good water management. These barriers include short term vs. long term business incentives, the low-cost of water, and other cultural barriers in some markets.
- Corporate water stewardship requires companies understanding the multiple dimensions of risks that water poses to the business. Corporate water stewardship also necessitates taking actions internally, but it is increasingly important to engage externally. External engagement continues to be a struggle for many companies.
  - The [Guide to Managing Integrity in Water Stewardship Initiatives](#) includes a number of practical tools that can help ensure projects have meaningful positive impacts and are not seen as “greenwashing”.
  - Learning how to work with external actors in different ways is necessary but hard (i.e., a company’s approach to collective action must adapt to local conditions).
  - Companies need tools to help them understand local context and identify appropriate responses, but there are no easy shortcuts.



Wednesday, August 25, 2015, Radisson Blu Waterfront Hotel & Conference Centre  
**Corporate Water Stewardship in Support of a Water and Sanitation SDG**



The CEO Water Mandate

# Corporate Water Stewardship and a Water and Sanitation SDG: from Vision to Action

## Presenters

- Gavin Power, Head, CEO Water Mandate; Deputy Director, UN Global Compact
- Robert Greenwood, Principal, Ross Strategic (meeting facilitator)
- Jason Morrison, Technical Director, CEO Water Mandate; Program Director, Pacific Institute
- Stu Orr, Head, Water Stewardship, WWF International

## Discussion Panelists

- Chris Williams, Executive Director, Water Supply & Sanitation Collaborative Council
- Andre Fourie, Head of Water Security and Environmental Value, SABMiller
- Rebecca Marmot, Vice President Global Partnerships and Unilever Foundation, Unilever
- Josefina Maestu, Coordinator/Director, United Nations Office to Support the International Decade for Action: “Water for Life” 2005-2015
- Stephanie Kotin, Senior Manager – Stakeholder Engagement & Public Policy, Levi Strauss & Co.
- Christian Susan, Industrial Development Officer, Industrial Resource Efficiency Unit, UNIDO



## Session 1: Corporate Water Stewardship and a Water and Sanitation SDG: From Vision to Action

- Right now there is a substantial opportunity for the private sector to respond meaningfully to the SDGs.
- Companies can contribute to improving the conditions that create water-related business risk, while also contributing to achieving the SDGs.
- Aligning corporate water stewardship practice and metrics with SDG6 can streamline reporting and show tangible benefits of water stewardship initiatives inside and outside facility fencelines.

### *Key themes from discussion panel*

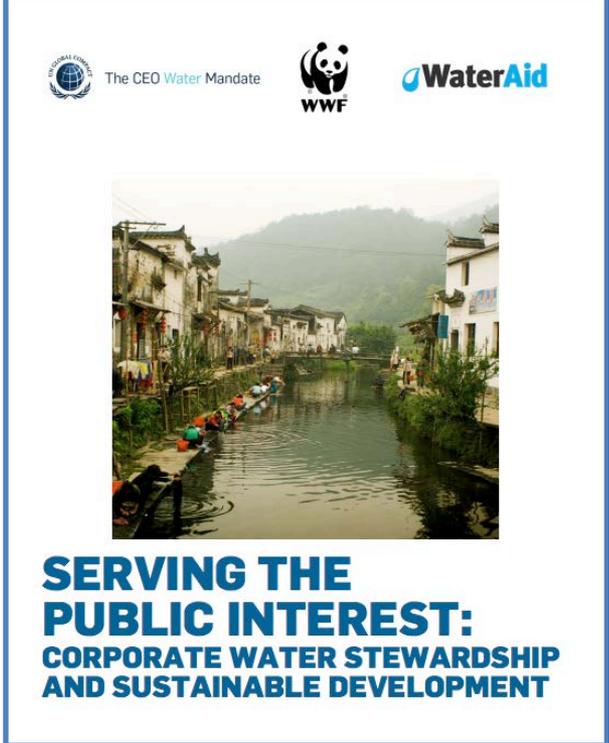
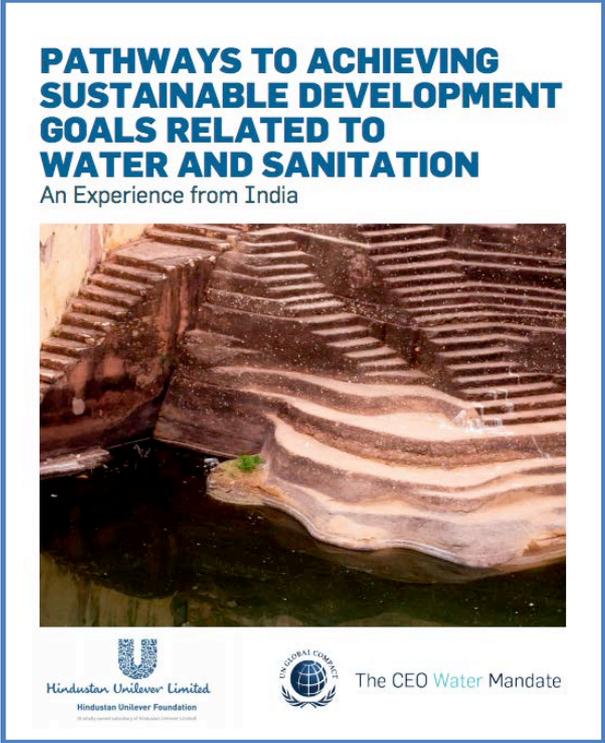
- The targets of SDG6 ultimately lead back to water governance; it is challenging for companies to engage effectively on issues such as policy and partnerships in appropriate ways.
- Business as usual approaches will not contribute enough to sustainable management of water and sanitation for all; however aligning CWS strategies with the SDG targets rather than adding a new layer of complexity is crucial.
- There is a strong business case for the private sector to engage on sanitation and hygiene. Lack of sanitation can have huge impacts for industry. Consumer-facing brands can do much to raise awareness of the SDG6 targets, particularly WASH.
- Small and medium-sized businesses have much to contribute toward the achievement of SDG6.
- Companies need to cooperate with other actors in watersheds, including understanding what other companies are doing.
- New financing models will be needed to achieve the SDG6 targets.
- The forthcoming indicators for the SDGs will be crucial in aligning companies' water stewardship practices and goals with public sector efforts.



# Corporate Water Stewardship and a Water and Sanitation SDG: From Vision to Action

## New Resources

- The CEO Water Mandate and the Hindustan Unilever Foundation published a [paper](#) exploring how the Foundation organizes the work of its grantees to align with the global sustainability agenda and the SDGs.
- WWF, the CEO Water Mandate, and WaterAid collaborated on a [discussion paper](#) calling on companies to align water stewardship with the SDG6 targets and suggesting ways that the private sector can contribute to serve the public interest as well as their own.



## Session 2: Metrics for a Smarter Water Future: Linking Measurement of Corporate Water Stewardship Practice with the Indicator System Underpinning a Water SDG

### Presenters

- Cate Lamb, Head of Water, CDP
- Peter Koefoed Bjornsen, Director, UNEP-DHI Centre for Water and Environment

### Discussion Panelists

- Ellen Silva, Applied Sustainability Senior Manager, General Mills
- Kari Vigerstol, Senior Hydrologist, Global Freshwater Team, The Nature Conservancy
- Inge Huijbrechts, Vice President Responsible Business, Carlson Rezidor Hotel Group
- Gerard Payen, UN Secretary-General's Advisory Board on Water and Sanitation, and Honorary President, Aquafed
- Federico Properzi, Chief Technical Advisor, UN-Water
- Bert Share, Senior Global Director, Sustainability, Anheuser-Busch InBev



# Metrics for a Smarter Water Future: Linking Measurement of Corporate Water Stewardship Practice with the Indicator System Underpinning a Water SDG

- Quantitative and qualitative metrics are needed to convey the importance of water stewardship (internally and externally) and its contribution to achieving SDG6.
- Benefits of aligning metrics from multiple sources to track progress on the SDGs far outweigh the costs.

## Key themes from discussion panel

- Good indicators create appropriate policies, strategies, programs to meet the goals. Having the right metrics can help tap into certain types of funding.
- Metrics to measure impact toward SDG6 will need to be flexible enough to reflect the local realities of regions with pronounced water challenges. Metrics need to be designed to foster innovation, not stifle it.
- Good data are needed to develop a shared understanding of a watershed before embarking on collective action, monitoring progress, and communicating with potential partners, funders, and policy makers.
- There is a need for the CWS community to develop impact metrics for collective action to prove the efficacy of such collaborations and to link these metrics to relevant policy frameworks and public sector-led efforts.

SDG-6 Core indicators	
6.1 Access to water	• 6.1 % population with water access
6.2 Sanitation	• 6.2 % pop with safe sanitation • 6.2 % pop with access to hygiene
6.3 WW and WQ	• 6.3 % WW (vol) safely managed • 6.3 % water bodies with WQ
6.4 Efficiency and withdrawals	• 6.4 % change in WRE • 6.4 withdrawal % of available WR
6.5 IWRM	• 6.5 IWRM implementation (0-100) • 6.5 % TB area managed
6.6 Ecosystems	• 6.6 % change in wetlands extent
6a Cooperation	• 6a ODA in % of publ expenditure
6b Participation	• 6b % local units with participation

