



# The CEO Water Mandate

May 2008

Dear Leaders of The Group of Eight,

Your meeting in July in Hokkaido, Japan, comes at a crucial time for global security and development. We are heartened to see that one of the main themes of this year's G8 Summit will be the *Environment and Climate Change* with a commitment to "take initiatives to address other important environmental issues". We also note that you will focus your discussions on the achievement of three Millennium Development Goals, one of which concerns water.

As business leaders representing a spectrum of industries and geographies, we feel strongly that addressing what are commonly considered "environmental issues" relates directly to achieving progress in the realms of development and security.

One such cross-cutting issue is most certainly water – in terms of both water availability and sanitation. Indeed, it is increasingly clear that lack of access to clean water and sanitation in many parts of the world causes great suffering in humanitarian, social, environmental and economic terms, and seriously undermines development goals.

According to the United Nations, approximately 1 billion people lack access to safe drinking water, and 2.6 billion are denied access to adequate sanitation. Many areas of the world are expected to experience acute water stress in the coming years and decades – as a result of factors that include climate change, urbanization, population growth, increasing food production, and industrialization.

This emerging water crisis provided the impetus behind The CEO Water Mandate, launched by UN Secretary-General Ban Ki-moon in July 2007 and today endorsed by business leaders from more than 20 corporations, representing hundreds of billions of dollars in revenue.

As signatories of The CEO Water Mandate – a special initiative of the UN Global Compact – we recognize that the twin problems of water availability and sanitation pose a range of challenges and risks – and, in some instances, opportunities – to our business operations.

We are also aware of research, by the United Nations Development Programme, revealing that strong association between water and poverty. The relationship is striking.

Approximately one-third of the world's people without access to water live on less than \$1 a day. The United Nations Human Development Report, published in 2006, argues that the costs to sub Saharan African economies of not having basic universal access to water and sanitation represent around 5% of GDP.

As the UN Secretary-General recently stated: "When you consider the health and development challenges facing the poorest of the world's population – diseases like malaria or tuberculosis, rising food prices, environmental degradation – the common denominator seems to be water".

Thus, water is not just an environmental issue – it is a poverty and development issue, an economic issue, and therefore a business issue.

The CEO Water Mandate commits business leaders to take action in a number of areas – including Direct Operations; Supply Chain and Watershed Management; Collective Action; Public Policy; Community Engagement; and Transparency. Actions being undertaken or planned by signatories include setting targets related to water conservation and waste-water management; encouraging suppliers to improve their water practices; partnering with non-governmental organizations, community groups and UN agencies to support water and sanitation delivery systems; and providing inputs and recommendations to public authorities with respect to the formulation of regulations and relevant policies.

However, as business leaders, we will not achieve meaningful progress unless Governments live up to their responsibilities and commitments.

In 2000, world leaders committed to the Millennium Development Goals, including a concrete target under goal seven, to Ensure Environmental Sustainability: "*Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation*".

Unfortunately, as recent scorecards show, progress is lagging in many regions of the world.

As leaders of the world's most powerful economies, we therefore call on you to make the emerging water crisis a global priority. Specifically, we ask that you:

1. Re-affirm the importance of achieving the Millennium Development Goal related to water in G8 Summit preparatory documents and in final communiqués;
2. Include discussions of the emerging water crisis in the agenda of the G8 Summit;
3. Fulfill the Gleneagles commitment on water and sanitation by ensuring that allocations for safe drinking water and sanitation increase as a percent of all official development assistance (ODA) and that ODA increases overall;

4. Increase your respective Governments' efforts vis-à-vis progress against this critical Millennium Development Goal by making it a top priority of your development agencies;
5. Develop and take immediate actions to raise awareness and implement adaptation strategies with regard to water in response to climate change at home and abroad;
6. Stimulate research in relation to increasing water efficiency in crop and food production;
7. Encourage non-G8 nations to pay more attention to this Millennium Development Goal and to take similar actions;
8. Commit to working more actively with the international business community, civil society organizations and other non-state actors to achieve progress in this area.

The emerging crisis in access to water and sanitation is truly a global problem, and one that demands individual and collective action. As business leaders, we believe strongly that we have a responsibility to make water sustainability a management priority. The CEO Water Mandate reflects our commitment and passion.

We wish you every success at the Summit and look forward to seeing what action you will take on this crucial agenda.

Sincerely,

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*N. G. Wickremeratne  
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