An Introduction to the CEO Water Mandate’s Guide on Business Engagement with Water-Related Public Policy

World Water Week, Stockholm
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History of the Guide

• A February 2008 survey of endorsers identified Public Policy was one of the least understand and implemented Mandate elements.

• At the Mandate’s second conference, endorsers agreed on “Public Policy” as the focus of the Third Working Conference in March 2009, due to a widespread lack of understanding or consensus in this area.

• At this third conference in Istanbul, endorsers and stakeholders:
  1. Discussed the risks and opportunities posed by policy engagement
  2. Outlined basic expectations and aspirational goals for engagement,
  3. Developed a preliminary outline of a framework through which companies can understand policy engagement.

• In Istanbul, endorsers agreed to build upon this framework in the form of an official Mandate-branded guide.
Tentative Project Plan

July 7-September 4, 2009:
The Mandate Secretariat is now soliciting public comments on a preliminary annotated outline for the Guide.

September – December 2009:
The Secretariat will begin drafting the body of the Guide referencing the comments received and outcomes from Stockholm as appropriate.

December 2009:
A first full draft of the Guide will be circulated for public comment.

June 2010:
A final version of the Guide incorporating comments received on the prior iteration is scheduled for release.
Summary of Annotated Outline

Overarching objective:
To provide principles, concepts, practical steps, and case examples that can facilitate companies’ responsible engagement with water policy in a manner that reduces business risks while simultaneously advancing policy goals and positively impacting nearby communities and ecosystems.

As of now, the guide will explore four key areas:

1. Understanding Water Policy and How it Affects Companies and Investors
2. Addressing Water-Related Business Risks and Opportunities through Policy Engagement
3. Topics, Spheres, and Modalities of Corporate Engagement with Public Policy
4. How to Engage in Water Policy – Effective and Equitable Approaches and Common Pitfalls
Summary of Comments Received through Early August

Number of comments:
As of early August, we had received seven comments, some representing the viewpoints of multiple organizations. Several other organizations have expressed their intent to submit comments before the September 4 deadline.

Breakdown of comments by sector/interests:
Common threads in comments received

Comment period: The public comment period for this Guide (originally though July 30) is too short to allow for detailed comments from many key stakeholders.

Business engagement problematic: Given a long history of policy capture, the concept of facilitating business engagement with policy in general is problematic.

Transparency: Communication and disclosure of all actions is critical to responsible policy engagement for both companies and governments alike.

Conflict of interest: Corporate interests cannot be presumed to always align with the public interest.

Necessity of regulation: This Guide must not act or be perceived as a replacement to regulation. Governments must continue to pass strict regulation that ensures companies do not utilize an inequitable volume of water or otherwise do undue harm to the environment or local communities.

Internal alignment: Companies can improve internal communication in order to harmonize messaging to external partners and to align the objectives and incentives of engagement among the various components of the company.
The CEO Water Mandate

For a copy of the Guide’s preliminary annotated outline, go to:
http://www.pacinst.org/topics/globalization_and_environment/ceo_water_mandate/guide.html

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