



The CEO **Water** Mandate



Advancing Water Stewardship to Support the 2030 Agenda for Sustainable Development

Stockholm, 2017



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Agenda

Multi-Stakeholder Working Sessions

1. [Business Alliance for Water & Climate \(BAFWAC\): Collective Action to Support Water and Climate](#)
2. [Context-Based Water Targets](#)
3. [GRI Workshop: 303 Water Standard](#)
4. [Corporate Stewardship in Support of the SDGs: Impactful Collective Action at the Local Level](#)

Open Conference Sessions

5. [Making Corporate Supply-Chains Work for WASH and the SDGs](#) [[session webpage](#)]
6. [Harnessing Water Risk Tools](#) [[session webpage](#)]
7. [WASH4Work: Mobilizing Business Action](#) [[session webpage](#)]
8. [The Water Stewardship Landscape](#) [[session webpage](#)]
9. [Showcasing Business Best Practice for Climate Adaptation and Water Stewardship](#) [[session webpage](#)]



Session Descriptions

- 1. Business Alliance for Water & Climate (BAFWAC): Collective Action to Support Water and Climate** - Learned of leading practice by companies enhancing their water and climate resilience and improving local outcomes. Further cases to be shared: www.bafwac.org
- 2. Context-Based Water Targets** - Walked through draft methodology, received clear direction from attendees on how to design the approach so it is of value to the private sector.
- 3. GRI Workshop: 303 Water Standard** - Workshop participants provided feedback on the revised global corporate reporting standard for water.
- 4. Corporate Stewardship in Support of the SDGs: Impactful Collective Action at the Local Level –** Learned of leading initiatives and approaches to collective action for water stewardship and identified key success factors to scaling up these practices.
- 5. Making Corporate Supply-Chains Work for WASH and the SDGs –** Explored how to facilitate corporate engagement in WASH issues in global supply chains.
- 6. Harnessing Water Risk Tools –** Discussed tools for assessing water risk and how companies use those tools to make business decisions.
- 7. WASH4Work: Mobilizing Business Action –** Explained the [WASH4Work](#) initiative and explored ways that business can get involved with advancing WASH access.
- 8. The Water Stewardship Landscape –** Walked through examples of public and private sector water stewardship from around the world and identified key similarities among successful projects.
- 9. Showcasing Business Best Practice for Climate Adaptation and Water Stewardship –** Explained the BAFWAC initiative and discussed examples of leading practice in business engagement on water and climate.

(1) BAFWAC: Collective Action to Support Water and Climate

Session Objective: Discussion and peer learning around how the work of the business community can link with civil society and other groups investing in a climate resilient future.

Business for Action on Water And Climate (BAFWAC) Overview

- Started in lead-up to COP21 with goal of mobilizing non-state actors on water-climate nexus issues
- 50 member companies so far, goal is 100 by 2018
- 3 commitments: understand and assess water risk, measure and report water use, reduce impacts on water availability and quality
- 3 areas to foster and scale innovation:
 - i. Circular water management
 - ii. Climate-resilient ag supply chains
 - iii. Natural capital / green infrastructure
- New BAFWAC [website](#)
 - Platform for members to gain and share knowledge
 - Toolbox: guidance, case studies, best practice, tools to help companies make progress on the BAFWAC commitment areas
 - When companies are ready to engage in collective action, they can go to Water Action Hub
 - Water Action Hub 2.0 has been re-tagged around SDG 6 and Climate Adaption 13.1 and water-related disaster management, making it easier for NGOs to engage businesses in stewardship with SDG context

Speakers

Jason Morrison, CEO Water Mandate
Robert Greenwood, CEO Water Mandate
Morgan Gillespy, CDP
Eric Soubeiran, Danone
Richard Colback, IFC
Naty Barak, Netafim
Peter Schulte, CEO Water Mandate
Leanne Burney, UN Water
Eric Tardieu, INBO
Heidi Huusko, UN Global Compact
Isabella Pagotto, SDC
Tatiana Fedotova, WBCSD



(1) BAFWAC: Collective Action to Support Water and Climate

Examples of Action on Water & Climate

- CDP – analyzing water-energy relationships in companies via survey
 - 24% of companies say emissions reductions depend on water supply, and 53% of companies report emissions reduction as result of improvements to water management
- Danone – using soil as the connecting element between climate, water, circular economy, agriculture
 - Large carbon sequestration and water savings potential of properly managed soil
 - Better crop production and biodiversity also linked to soil health
- IFC – increasing climate-related investments to 28% by 2020
 - Particular focus on smallholder farmers in agricultural supply chain
 - Sustainable finance – moving away from donor-driven, towards commercially scalable projects
- Netafim – focusing on drip irrigation
 - Drip irrigation touches 9 of the 17 SDGs
 - Converting 10% of world's rice fields to drip would have emissions impact equal to taking 40 million vehicles off the road
- UN Water – has decided to develop a policy framework on engaging with the private sector
 - UN system moving towards recognizing stakeholders besides government
 - SDGs recognize private sector much more than Millennium Goals
- SDC – launching new program focused on water stewardship, multi-stakeholder dialogue with focus on basin level
 - Integrating climate change impacts into transboundary plans and cooperation
- INBO – water-climate project Incubation platform launched in 2017 (BAFWAC is one of such projects)
 - Water management at basin scale is critical for climate resilience

(1) BAFWAC: Collective Action to Support Water and Climate

Key Takeaways

- There are many opportunity for better communication with private sector about UN policy work, connecting that to what communities and businesses are doing on the ground
 - Need more clarity around what business support can bring to societal development
 - Business connection to NDC's is confusing – there is no system yet for what that engagement should look like
- Businesses are already acknowledging water/climate connections, working on projects
 - Helpful to share these examples of success with the UN, so they can learn from and share those projects
- Water-climate solutions are not just about innovation, but also about bringing existing technologies and practices to scale
- Global threats – migration, health, livelihoods –are interlinked with water and climate issues
- There is a tension to be addressed between long term approaches needed to meet global goals, and short-term approaches chosen by companies

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[Join BAFWAC](#)

(2) Context-Based Water Targets

Session Objective: Introduce draft methodology, provide an update on current thinking, and solicit feedback and recommendations from corporate stakeholders in the room.

Context-based water targets are informed by sustainable thresholds or limits of a given basin based on science; respects the basin's environmental, economic, and social needs, and current and future conditions; and supports public sector objectives such as the SDGs.

Draft Methodology

The guiding principle is to look at the basin level and ask “what is the desired future end state?” Instead of setting baseline on present conditions, set it on this desired endpoint.

Step 1 = define the physical scope

Step 2 = perform basin and site diagnostics (water risk assessment)

Step 3 = set targets (based on gap between present and desired states)

Step 4 = implement robust monitoring plans

Santa Ana Watershed Hypothetical Pilot

This was an exercise for us to test our early thinking. We performed a basin and site assessment using the WWF Water Risk Filter, looked for places where risk overlap, and based on that set rudimentary context-based targets.

There is strong appetite to do real pilot in this region – stay tuned.

Lessons learned:

- Methodology must be robust yet practical, and accommodate uncertainty
- We need to pilot test in data-poor regions

Speakers

Jason Morrison, CEO Water Mandate

Rob Greenwood, Ross Strategic

Paul Reig, WRI

Ross Hamilton, CEO Water Mandate

Shariful Hoque, H&M

Andre Fourie, Danone

Daniella Foster, Hilton

Ian Knight, Mars



(2) Context-Based Water Targets

Key Takeaways

- Multiple entry points into this process are needed, based on companies' stewardship maturity, sector, and data access.
- As we start out, the CBWT methodology needs to de-emphasize the pure allocation-based, volumetric target approach. While the physical science is important, political and social issues related to water may be equally if not more important for companies to address with targets.
- There will always be trade-offs between business needs and the appropriate targets, and companies need to know how to address them. A clear decision-making tree should be created or adopted for these situations. We must also consider trade-offs with other outcomes outside of the company's fence line.
- We need clustered implementation of CBWTs, where multiple companies are collaborating with each other and other partners in the same basin.
- Communication on CBWTs must be strategic. What is the simple message to help someone understand the shift we're advocating for? We need to give compelling rationale for water stewardship as a whole.
- The CBWT process should continue to strive to align with local and global policy (particularly the SDGs), as well as other water stewardship initiatives.
- There are other outstanding challenges that need to be addressed, such as how to set CBWTs when the water sources for a basin are multiple and/or imported, and how to measure the impact of water savings (i.e. where does the saved water go?)

View full session summary document [here](#).



(2) Context-Based Water Targets

Although they present many challenges, targets can act to build consensus and engage stakeholders.

Collaborations on CBWTs so far include:

- WRI and Mars published paper on science-based targets for climate, land, and water impacts: [From Doing Better to Doing Enough: Anchoring Corporate Sustainability Targets in Science](#)
- The Beverage Industry Environmental Roundtable (BIER) is also [working on CBWTs](#)

Project next steps

- Incorporate direction provided in Stockholm into the approach drafted.
- *Pilot testing.* The project team will identify basins for clustered implementation based on watershed conditions and company interest.
- *Outreach and feedback.* The project team will be presenting webinars to industry associations, companies, to spread the CBWT concept and get more insights.
- *Advisory committee.* The project team will be putting together a group of experts to advise on the CBWT development process.

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(3) GRI Workshop: 303 Water Standard

Session Objective: Introduce upcoming revisions to the GRI water standard, and solicit audience feedback.

Speaker

Anna Krotova, GRI
Bastian Buck, GRI

Background on Standards

- Same water reporting guide for 10 years, now revamping, building on efforts others in this field
- Goal to have common language for reporting, addressing business community concern that guidance from different disclosure initiatives is all slightly different

Key Changes to the Standards

- Greater emphasis on measuring impact in water-stressed areas
- New requirement to measure water consumption in addition to withdrawal
- Remodeled content on reporting water discharge
- Added guidance to enable organization to better understand/communicate water impact at local level
- New guideline on reporting impacts in value chain
- Water recycled and reused *removed* from standard
- Extensive guidance, resources added, including info about CEO Water Mandate

Feedback on Standards

Management Approach

- More guidance needed on surface runoff, and on social impact in addition to environmental

Water Withdrawal and Consumption

- Volume versus percentage reductions – which is more meaningful?
- Definition of water-stressed areas? Scale?

Water Discharge by Level of Treatment or Quality

- Which metric to report? Treatment level is easiest but least meaningful, substances of concern hardest but most critical

Substances of Concern

- Not clear what substances of concern are – list provided, or companies choose?
- How to measure performance?
- Compliance versus management approach

Water Impacts in Supply Chain

- Need industry-specific guidance – supply chains are very different for different sectors
- Mapping main impacts is a start, but then ask companies to describe journey to mitigation



(4) Corporate Stewardship in Support of the SDGs: Impactful Collective Action at the Local Level

Session Objective: Explore different modalities of collective action, learn from past successes and challenges about how to scale and replicate these kinds of projects.

Key Takeaways

Success factors for collective action on water stewardship

- Dedicated individuals who can move the project forward
 - Create emotional buy-in of leaders and participants
- Get many sectors involved, to bring diverse perspectives
- Sustainability of interventions – handover to local leaders
 - Need to anchor the work in the community so they can handle it themselves in the future
- Consistency in messaging with target group, regardless of which partner is communicating, is critical
- Have main objectives well-defined in specific, time-bound plan at the beginning is important, but also must be flexible
 - Understand why collective action is needed, define problem, then accurately measure towards it
 - Establish common indicators of success

On Scaling

- Water stewardship tools aren't helpful to companies until they know where to scale
- Need preliminary assessment: Will we be able to scale with these partners? If not them, then who?
- Need to address financing – big stumbling block when it comes to scaling
- Look for *pragmatic* path to collective action – “Perfect is the enemy of the good”

Speakers

Jason Morrison, CEO Water Mandate
Rob Greenwood, CEO Water Mandate
Eric Viala, SWP
Sonja Berdau, GIZ
Peter Schulte, CEO Water Mandate
Jacopo Gamba, WIN
Mariana Martinato, UNGC Brazil
Andrea Matsui, AB inBev
Nelson Switzer, Nestle Waters
Alex McNamara, NBI

(4) Corporate Stewardship in Support of the SDGs: Impactful Collective Action at the Local Level

Frameworks and Tools in Support of Collective Action

Water Security Initiative (WSI)

- New initiative out USAID, objective is to promote water security in all USAID nations around the world, partnering at the country level and developing toolkits
- Water security is essential to support public health, environmental sustainability, economic growth, political stability, disaster risk reduction

Water Integrity Network (WIN)

- Supports partners leveraging one another to improve performance, helps generate greater credibility and reputation of investors, stakeholders
- 4-step participatory approach
- Have all the stakeholders sit down together and put together business model
- Value proposition of the partnership
- Potential risks to the value proposition
- Risk prioritization based on likelihood and potential impact
- Develop management measures for tackling risks

Water Risk and Action Framework (WRAF)

- WRAF is guide for practitioners for performing and executing partnerships
- WRAF has evolved from international experience, subject expert input, lessons learned from testing and applying the framework

Water Action Hub

- Originally framed as “dating” site for water stewards
- Identify and connect with potential partners for collective action projects
- Just launched WAH 2.0 -- orientation around SDGs

Water Stewardship Toolbox

- For companies who are facing water risks but may not be ready for collective action
- Toolbox is anything we can find that can help companies move forward on stewardship
- Filtered so you can select for content that you are particularly interested in

(4) Corporate Stewardship in Support of the SDGs: Impactful Collective Action at the Local Level

Experiences and Initiatives on the Ground

UN Global Compact Brazil

- Governance is a key challenge – need a regulatory autonomous agent for water at national level in Brazil
- Civil society participation – [education](#) on sanitation and water management
- Challenge of helping companies understand that water is a material issue – concept of water stewardship is still new
- 8th World Water Forum, March 2018 in Brasilia – going to have a Business Day

AB InBev

- Over past 13 years, have reduced water consumption in Brazil by 40%
- Created [SaveH](#) based on internal water management tool (online platform for sharing expertise, open to any company)

California Water Action Collaborative ([CWAC](#))

- Platform to bring diverse stakeholders together to implement, and scale projects addressing the state's water challenges
- Mapping to SDGs and state-level water planning
- Powerful thing about collective action is it brings together the uncommon, those who may not want to work together on other things but share a common goal

National Business Initiative (NBI)

- Platform for government and business to work on environmental issues in South Africa
- South Africa has strong examples of water stewardship led by consumer staples, energy, insurance, and mining sectors
- Catchment-scale approach, which actions connected to relevant SDGs

(5) Making Corporate Supply Chains Work for WASH & SDGs

Session Objectives:

- Raise awareness surrounding the need to scale up corporate action on WASH.
- Share ideas and identify opportunities for an actionable way forward to a “chain-reaction” promoting WASH in supply chains.
- Collaboratively identify the right levers for action to generate self-reinforcing and sustainable change in corporate supply chains towards better WASH outcomes, through “WASHopoly” game
- Summary presentation on findings of the new report: *“Corporate Engagement on Water Supply, Sanitation, and Hygiene”*
- Discuss highlights from the field to showcase current approaches to WASH in supply chains

Key Takeaways

- Participants highlighted the need for a few crucial building blocks centering on:
 - 1) evidence and financial data for WASH interventions, and
 - 2) development of guidance for WASH in supply chains beyond current codes of conduct.
- Participants also identified the potential for engagement with voluntary standards to drive change, and that external pressure from investigative reports can be helpful to encourage action.

View full session summary document [here](#).

Speakers

Cecilia Chatterjee-Martinsen, WaterAid
Mai-Lan Ha, CEO Water Mandate
Nick Hepworth, Water Witness International
Pendo Hyera, Water Witness International
Zhenzhen Xu, Alliance for Water Stewardship
Ruth Romer, WaterAid
Lilian Wang, PwC UK
Sara Traubel, WBCSD



Corporate engagement on water supply, sanitation and hygiene:
Driving progress on Sustainable Development Goal 6 (SDG6) through supply-chains and voluntary standards

A high-level summary of research findings and recommendations
2017



(6) Harnessing Water Risk Tools

Session Objective: Shed light on how water risk tools help understand local context and contribute to innovative water reduction and reuse opportunities at an optimal scale.

Tool Update: [Water Risk Filter](#)

- Water risk tools need to inform mitigation – operational perspective
- Tying outputs from Water Risk Filter to recommendations, actions, and other initiatives

Tool Update: [Aqueduct Water Risk Atlas](#)

- Bringing in new data: groundwater, flooding, water quality, food, energy
- New platform: Resource Watch – hosting all data allows for others to upload data

Corporate Water Target Setting and SDGs

- Aqueduct and Filter provide basin-level water risk information, which guides context-based water targets
- Context-based water targets are informed by science, water risk at basin level, local and global water policy (including SDGs), and stakeholder views

Private Sector Perspective

- Risk mitigation is essential – but beyond risk mitigation, want to have positive impact
- Need better water risk quantification that ties back to financial value and value at risk
- Companies are using water risk tools to inform investment decisions, new facility siting, procurement
- Water risk tools increase efficiency of sustainability engagement – focus on basins / facilities in greatest need of action

Challenges & Gaps

- Biggest data gaps is water risk tools: governance and management, infrastructure, SDG6 disclosure
- Water risk *for who?* Stakeholders facing same water challenges may face different risks

Speakers

Jens Hoenerhoff, DEG
Alexis Morgan, WWF
Paul Reig, WRI
Tien Shiao, CEO Water Mandate
Kristel Verhoef, ACTIAM
Morgan Gillespy, CDP
Shariful Hoque, H&M

(7) WASH4Work: Mobilizing Business Action

Session Objective: Identify necessary actions to create an enabling environment designed to catalyze business actions on WASH, particularly looking at the connection between stewardship and [WASH](#).

Role of Business in Scaling WASH Solutions

- Create opportunities for private sector to engage by providing solutions through innovation and technology
 - Upcycling and monetizing waste – biogas, etc.
- Support entrepreneurs in emerging markets who have solutions for sanitation, waste management
- Leading companies are investing in supplier communities because they see increases in productivity
 - Integrated approach to the social and environmental health of communities
 - Connect WASH to labor, other key supply chain issues

The Value of Business Action

- Benefits of business action: what we know
 - For every \$1 invested in water and sanitation, \$4.30 returned through increased productivity
 - Investment in drinking water supply and sanitation both generate high returns to society; returns outweigh costs for all interventions
- Benefits of business action: gaps in knowledge
 - Assumption that solving WASH issues will reduce absenteeism, increase productivity
 - Reducing operational costs and business risk
 - Supply chains – good understanding of social impact but less on business value
- Increasing pressure to define payback / business value for why we're doing this

Speakers

Mai-Lan Ha, CEO Water Mandate
Jason Morrison, CEO Water Mandate
Syed Adnan Ibna Bakim, UNICEF
Rivash Panday, Sasol
Jay Bhagwan, Water Research Comm
Cheryl Hicks, Toilet Board Coalition
Michael Lindenmayer, Toilet Board Coalition
Robert Hope, University of Oxford
Christian Vouvouras, Nestle
Lisa Hook, Gap Inc.
Neil Jeffery, WSUP
Lisa Greenlee, Wateraid
Michael Alexander, Diageo
Jonathan Gill, Unilever



(8) The Water Stewardship Landscape

Session Objective: Present a shared vision on how water stewardship can contribute to water security, economic resilience and showcase where it has made an impact.

Key Takeaways

- Water security is dominant factor in sustainable development
 - The private sector (\$114B/yr) needs to help fill the significant financial gap for meeting SDG6
 - Cannot have a healthy economy when water resources are managed unsustainably
- Leading companies are going beyond facility impact to collective action
 - Building social capital between stakeholder groups at local level with in-person convenings is key to driving engagement
 - Water integrity is a key component, lack of transparency is a problem
- Water-related risk is a major driver of water stewardship
 - Risk is what drives motivation – any type of entity is unlikely to mitigate more risk than they face
 - Government has different exposure to water-related risks than companies
- Different levels of stewardship work all link back to policy
 - Need a champion to drive the stewardship process until it is incorporated into policies; motivate locals to take responsibility as water stewards

Speakers

Ana Gren, Sida
Eric Buhl-Nielsen
Paban Chowdhury, Bangladesh EZ Authority
Lindsay Bass, WWF
Carlo Galli, Nestle
Abraham Saphiel Yesaya, Basin Water Board
Jean-Paul Penrose, DFID
Mercedes Castro, Agualimpia & UN HLPW
Greg Koch, The Coca-Cola Company
Bishop Edward Choma, Government of Zambia
Jason Morrison, CEO Water Mandate

(9) Business Best Practice for Climate Adaptation and Water Stewardship

Session Objective: Learn about leading initiatives addressing climate change and related water challenges, explore from past successes and challenges about how to scale and replicate these kinds of projects.

Water & Climate Initiatives

Business for Action on Water And Climate (BAFWAC)

- Born out of COP21, will be presenting progress update at COP23
- Looking to increase corporate membership, connectivity via website, toolbox, Water Action Hub

Global Alliance for Water And Climate (GAfWAC)

- Parent of BAFWAC and three other water-climate initiatives
- Finding, developing, and incubating small viable projects – six projects incubated in 2017

Key Takeaways

- Water is critical to global climate goals
 - Not mentioned in Paris agreement, but vast majority of NDCs talk about water
- Water is critical to corporate emissions reductions goals
 - 24% of reporting companies' emissions reductions reliant on stable water supply
 - 52% of companies who improved water management saw emissions reduction benefits
- Different sectors have different levels of exposure to water and climate issues
- Leading companies are working with SDGs, mapping their projects to those goals
- Gaps and barriers to progress include:
 - (1) Lack of cooperation at basin scale, (2) Lack of awareness in local communities about importance of water stewardship, (3) Lack of dissemination of knowledge on good practices

Speakers

Jason Morrison, CEO Water Mandate
Edouard Boinet, INBO
Anais Blasco, WBCSD
Orlaith Delargy, CDP Water
Matilda Gustafsson, Group Function Sustainability & CR
Peter Schulte, CEO Water Mandate
Joannie Leclerc, Suez Environment

Thank you!

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