

WaterAid makes the business case for investing in water, sanitation and hygiene

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WaterAid is launching a new guide to help companies understand and measure the economic benefits of investing in water, sanitation and hygiene, and thereby make the case for further investment while also encouraging their supply chains to take action.

Diageo, Gap Inc., and Unilever, have championed this work with WaterAid, and with support from PwC and ODI have developed the step-by-step guide, *'Strengthening the business case for water, sanitation and hygiene: How to measure value for your business'*. The guide is endorsed by <u>WASH4work</u> and will be launch at Stockholm World Water Week on Thursday 30 August.

At a global level, the economic case for investing in WASH is well-established – it is estimated that every dollar invested in sanitation returns US\$5.5 in increased productivity, while every dollar invested in drinking water supply returns US\$2.¹

However, there is only anecdotal feedback and case studies exploring the benefits to individual businesses, such as reduced absenteeism, increased loyalty, and improved productivity. While this is a useful starting point, companies require more robust evidence to demonstrate the financial value in order to strengthen the business case for investing in WASH and drive action on a wider scale.

WaterAid's new resource responds to the growing need for the evidence that improving access to clean water, good sanitation and hygiene should be more than a philanthropic measure or means to tick a corporate social responsibility box; it should be a core business priority.

WaterAid Chief Executive Tim Wainwright said:

"We all have a role to play in making clean water, decent toilets and good hygiene normal for everyone, everywhere by 2030, and businesses are crucial in bringing about the step change needed to meet this global challenge.

"The social, moral and macro-economic case for investing in water, sanitation and hygiene is clear and some businesses are taking action. However, in order to drive the level of transformational change required, more companies need to prioritise this key area while also leveraging their influence across their supply chains to persuade others to act. To scale up action, we need a robust evidence base making the case for investment in WASH, which this guide will help businesses do.

"I encourage businesses to apply this guidance to their workplace, the communities they work in, and their supply chain. Every day the water and sanitation crisis continues to claim lives and hold people back from achieving their potential. We don't have a moment to spare."

Through a new project on Sustainable Supply Chains in the apparel sector in India and Bangladesh funded by HSBC, the new guide will now be implemented, and the results will be shared to spur others into action. Diageo has also committed to implementation in Ethiopia, whilst Gap Inc. and Unilever are also pursuing opportunities for implementing the guide.

¹ The World Health Organization (2012). *Global costs and benefits of drinking water supply and sanitation interventions to reach the MDG target and universal coverage*. WHO, Geneva. Available at www.who.int/water_sanitation_health/publications/2012/globalcosts.pdf (accessed 27 Jun 2018).

In a recent project, WaterAid worked with a tea estate owner in Sylhet, Bangladesh, to improve access to clean water and toilets in the tea gardens and the surrounding areas. Tea picker Bina used to walk for an hour each day to collect water from the well as well as using water from a nearby stream, which was contaminated. Bina and her children were often sick; resulting in missed work and a loss of income.

Bina, 45, says the new pumps and latrines have made a huge difference in her life, and have benefitted the estate too. A tea garden manager said: "Waterborne diseases have reduced so we pay fewer sick days. Efficiency has increased, definitely."

WaterAid's new guide will help measure the impact of such interventions to strengthen the case for future investment internally and with external suppliers. Crucially, sharing the evidence and learnings can help catalyse action across the business community.

In addition to Diageo's commitment to implementing the guide in Ethiopia and potentially also in Tanzania, the company has a 'Water Blueprint', in which it wants to achieve three targets by 2020. It aims to reduce water wastage through a 50% improvement in water-use efficiency; safely return its wastewater to the environment; and replenish the amount of water used in water-stressed areas. It also wants to ensure appropriate access to clean water, toilets and hygiene for all its employees.

Gap Inc. has been working with global supply chains and suppliers to adopt more sustainable manufacturing practices. The company's climate policy aims to address emissions beyond brick and mortar stores by actively working with suppliers to help reduce water and greenhouse gas emissions.

Unilever has also prioritised WASH with fully integrated water, sanitation and hygiene in its own workplace and manufacturing sites, through safety, health and environment standards, as well as ensuring external suppliers have access to clean water and toilets.

WaterAid will present the guide at Stockholm's World Water Week, which runs from 26 – 31 August. The forum brings together experts from the fields of science, business, and policy to discuss new ideas and actions to address water-related challenges.

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Notes to Editors:

WaterAid

WaterAid is working to make clean water, decent toilets and good hygiene normal for everyone, everywhere within a generation. The international not-for-profit organisation works in 28 countries to change the lives of the poorest and most marginalised people. Since 1981, WaterAid has reached 25.8 million people with clean water and 25.1 million people with decent toilets. For more information, visit www.wateraid.org, follow @WaterAidUK or @WaterAidPress on Twitter, or find WaterAid UK on Facebook at www.facebook.com/wateraid.

• 844 million people in the world – one in nine – do not have clean water close to home.²

² WHO/UNICEF Joint Monitoring Programme (JMP) *Progress on drinking water, sanitation and hygiene: 2017 update and SDG Baselines*

- 2.3 billion people in the world almost one in three do not have a decent toilet of their own.³
- Around 289,000 children under five die every year from diarrhoeal diseases caused by poor water and sanitation. That's almost 800 children a day, or one child every two minutes.⁴
- Every £1 invested in water and toilets returns an average of £4 in increased productivity.⁵
- Just £15 can provide one person with clean water.⁶
- To find out if countries are keeping their promises on water and sanitation, see the online database <u>www.WASHwatch.org</u>

⁴ washwatch.org

⁵ World Health organization (2012) Global costs and benefits of drinking-water supply and sanitation interventions to reach the MDG target and universal coverage

³ WHO/UNICEF Joint Monitoring Programme (JMP) *Progress on drinking water, sanitation and hygiene: 2017 update and SDG Baselines*

⁶ www.wateraid.org