The CEO Water Mandate
3rd Working Conference

March 15-17, 2009
World Water Forum, Istanbul

MEETING SUMMARY

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Overview

In July 2007, the UN Secretary-General, in partnership with international business leaders and under the auspices of the UN Global Compact, launched The CEO Water Mandate – an initiative established to better understand and advance water stewardship in the private sector. The Mandate was built upon six core elements considered to be critical in addressing corporate water management: Direct Operations, Supply Chain and Watershed Management, Collective Action, Public Policy, Community Engagement, and Transparency.[1]

Following meetings at UN Headquarters in New York City in March 2008 and Stockholm during World Water Week in August 2008, the UN Global Compact in collaboration with the Pacific Institute, convened The CEO Water Mandate's third working conference on March 15-17, 2009, during the Fifth World Water Forum in Istanbul. The workshop consisted of over 90 participants representing 29 endorsing companies, three prospective endorsers, 15 UN and government agencies, 19 civil society organizations, and various other organizations.[2] In addition to the multi-stakeholder workshop, the Mandate held three other events: a seminar on the initiative's Transparency Framework and a general informational session about the initiative (both open to all World Water Forum registrants), along with an endorser-only planning meeting.[3]

The working conference's overarching goal was to explore how companies can positively engage with water-related public policy. It featured discussions on a range of issues, including: 1) the risks and opportunities posed by corporate engagement in water policy, 2) basic expectations and aspirational goals for such engagement, 3) and a preliminary outline of a comprehensive framework for how companies can understand their engagement activities. The workshop featured two breakout sessions – one on the links between corporate water footprinting and public policy and a second on the practical implications of the human right to water for business.

The Mandate's transparency seminar focused on the key findings of the initiative's recent study, "*Water Disclosure 2.0 – Assessment of Current and Emerging Practice in Corporate Water Reporting*".[4] The seminar featured a panel providing stakeholder perspectives on the current state of corporate water disclosure, including representatives from endorsing companies, civil society, and the investment community, followed by a facilitated discussion open to all attendees. The CEO Water Mandate informational session provided an opportunity to disseminate information to the public on the initiative's key characteristics, objectives, activities, and accomplishments and give attendees an opportunity to provide input into the Mandate's future direction.

The endorser-only meeting served as a forum for companies to: 1) digest feedback from the multi-stakeholder working conference, 2) decide on how the initiative should pursue further

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[1] To learn more about the CEO Water Mandate and its six elements, go to:
http://www.unglobalcompact.org/docs/news_events/8.1/Ceo_water_mandate.pdf
[2] For the list of conference participants, see Appendix A.
[3] For the full agendas for all four events, see:
http://unglobalcompact.org/Issues/Environment/CEO_Water_Mandate/
[4] Full report can be found at: http://www.pacinst.org/reports/water_disclosure/report.pdf

activities relating to public policy engagement and other existing workstreams, such as the continuously evolving Transparency Framework, and 2) determine next steps on the Mandate's funding, recruitment efforts, potential partnerships, and future events in 2009 and beyond.

Key Learnings and Outcomes

Mapping Corporate Engagement in Water Policy

There is a clear imperative and expectation for corporate engagement in water-related public policy. Public policy engagement is seen as a cornerstone of effective water-related risk management given the substantial influence public policy has on near and long-term availability of needed corporate water supplies and workable regulations on use and discharge. Participants indicated that policy engagement, if applied appropriately and effectively, can:
- Allow for better collaboration and linkages with key partners
- Decrease regulatory risk
- Decrease water management risk
- Provide reputational benefits and competitive advantage
- Build internal (e.g. shareholders, labor force) and external (e.g. consumers, potential investors) trust in company
- Promote sustainable water management that helps promote long-term corporate access to water supplies

Engagement is also desirable from a broader societal perspective as companies are recognized to have substantial leverage in the public policy process, as well as substantial water management-related resources (e.g. data and tools) that can supplement the capacity of government policy-makers and ensure well-informed decision making.

Engagement is critical to effective risk management but can also expose companies to risk. Certain perspectives indicated that companies engaging in the public policy space should expect to meet distrust and skepticism by other stakeholders regarding companies' ability to think and act outside of internally-driven needs. Stakeholders passed on several perspectives of critical importance to endorser companies:
- Corporate public policy leverage is a two edged sword: It allows companies to influence the direction of public policy in ways other stakeholders may not; but this same leverage leaves stakeholders highly concerned about policy capture.
- The poor are viewed as particularly disadvantaged in policy formulation. Several stakeholders indicated proactive steps must be taken to improve impoverished and underrepresented communities' access and ability to meaningfully and effectively participate in policy dialogues. Companies' facilitating this increased engagement will help ensure equitable and balanced public policy and drive down reputational risks.

Stakeholders shared a variety of perspectives on how companies can successfully engage with public policy. Participants discussed various ways companies can lower their water-related risks, while contributing to achieving equitable and adequate access to clean and safe water for all parties in water-related public policy, including:

- Advocating for public policy outcomes that incentivize integrated, inclusive, and sustainable water management;
- Advocating for public policy outcomes that ensure equitable and adequate access to water;
- Ensuring public policy guardians engage these communities (e.g., administrative procedure rules that ensure/require access to decision-making and needed information);
- Providing resources (such as independent technical expertise, data, etc.) where needed to enable effective participation in the public policy making process;
- Engaging with stakeholders to define common principles that can guide policy engagement and local actions;
- Being transparent about the broad arenas and intentions of their policy engagement.

Corporate water footprinting must be further developed, expanded, and acted upon. The breakout session on corporate water footprinting revealed that such footprinting can and should be more developed in order to better measure and understand water risks and impacts associated with direct operations and also more broadly across the value chain. Such measurement of water uses and discharges should be followed by an assessment of impacts and mitigating actions. The discussion indicated that footprinting can be used to inform companies' policy engagement efforts and target and goal setting for water stewardship. Conducting more comprehensive assessments of the role of agriculture in corporate water impacts was identified as critical to corporate water footprinting and water management as a whole.

Many stakeholders urged companies to acknowledge the human right to water, however some companies signaled caution must be taken to explore the implications of this concept on business risk and policy engagement. The breakout session on the human right to water revealed that corporate understanding and action on this topic is still nascent. Discussion indicated that embracing water as a human right and behaving consistently with this concept has substantial implications for companies across the Mandate's six elements. Endorsers expressed interest in further exploring the practical, operational implications of this concept. Some participants urged a degree of caution and believed there is a need to better define the "responsibility boundaries" and "ethical limits" for corporate water-related citizenship. Other endorser representatives pointed out that companies must be responsible for their conduct rather than outcomes, as many companies have operations in "disabled" policy and management environments that do not fully allow the realization of desirable outcomes in spite of any corporate efforts.

Discussions suggest there is a generalized public policy engagement framework that companies might work with in order to effectively manage their individual water-related risk and simultaneously contribute to policy objectives on water (e.g. UN Millennium Development Goals). This framework, which looks to reflect the full range of ideas and actions expressed by stakeholders during the meeting, can address how to understand engagement, focusing on both top-down and bottom-up pathways; engagement spheres, identifying plant performance, watershed approaches, sustainable communities, and policy advocacy as four areas for corporate action; and a variety of risks and pitfalls implicit in policy engagement. A preliminary outline of this framework can be found in Session 8 (pages 14-16) of this meeting summary.

Next Steps

Policy Engagement
Endorsers and the CEO Water Mandate Secretariat decided that the initiative will further develop the framework mentioned in the previous section, working actively with endorsers and other key stakeholders. The comprehensive framework will define the "contours and fence lines" for corporate engagement in water policy, map salient water-policy issues/spheres, define what it means to act consistently with the concept of the human right to water, and recommend a series of "do's and don'ts" for successful policy engagement. The Mandate Secretariat will continue to develop the draft framework in preparation for the fourth working conference in Stockholm, where it will be further discussed and refined by endorsers and key stakeholders.

Water Disclosure
Working actively with endorsers and key stakeholders, the CEO Water Mandate will:
- o Develop guidance that will improve and make more consistent *qualitative* water reporting, with a focus on the Mandate's "process-oriented" elements, such as Watershed Management, Community Engagement, Collective Action, and Public Policy.
- o Build methods and guidance to support companies in better understanding materiality and reflecting the sustainability context into their water-related reporting.

Future Meetings
In accordance with its agreement to hold biannual working conferences, the endorsers and Mandate Secretariat agreed to hold the initiative's fourth working conference August 17-18, 2009 in Stockholm during World Water Week. A subsequent meeting will be held at UN Headquarters in New York City the first quarter of 2010.

Multi-Stakeholder Working Conference Summary

Objectives

- ➢ Elucidate common water-related interests among companies, governments, civil society groups and local communities;

- ➢ Define the contours of a broadly accepted framework through which companies can understand their water-related public policy engagement;

- ➢ Scope the state-of-play regarding various ways that corporate sustainable water management practices interface with public policy;

- ➢ Provide a learning platform for endorsing companies to share experiences and innovations relating to this particular Mandate element, and;

- ➢ Garner feedback from key stakeholders regarding their views on:

  - o The implementation actions that constitute both minimum expectations and best practice in relation to corporate water management and public policy.
  - o Information needs and interests in relation to this Mandate element.

Introductory Remarks
The workshop began with an introduction from Gavin Power (Head, The CEO Water Mandate) who recapped the origins, mission, and approaches of the Mandate, provided a summary of the initiative's transparency disclosure policy, and spoke of the implications of the current economic crisis on broad sustainability goals. Dr. Filiz Demirayak (CEO, WWF- Turkey) followed with a synopsis of her organization's work on water management and corporate social responsibility, as well as her vision of the Mandate's role in addressing global water challenges. Jason Morrison (Globalization Program Director, Pacific Institute) introduced the agenda and gave his thoughts on the challenges and opportunities with respect to corporate engagement with water policy.

Opening remarks by Mr. Power
Transparency disclosure policy
Launched in October 2008, the Mandate's transparency disclosure policy requires endorsers to report annually on their performance in respect to the Mandate's six elements. Companies neglecting to adequately report on these elements will be delisted from the Mandate. The transparency policy is centered on three principles:

1) Materiality and stakeholder inclusiveness
2) Harmonization and convergence
3) Continuous improvement

Opportunities from the global economic crisis
The global economic crisis has seen companies retrenching and downsizing, civil society suffering from resource constraints, escalating poverty, and declining environmental conditions. Though some see current economic conditions as justification to discount the environment, there

are in fact compelling linkages between water scarcity, climate change, human rights, and business development. This economic crisis poses an opportunity to marry economic and environmental agendas in order to minimize risks and promote lasting economic growth.

<u>Key points from Mr. Morrison: Corporate Engagement with Public Policy</u>
Mr. Morrison provided an overview of the progression the Mandate's activities and outputs that preceded the Istanbul workshop, and described how numerous workshop themes were building on discussions at prior Mandate events. He explained the rationale and objectives for the meeting and he expressed his gratitude to the members of the Conference Advisory Committee for their assistance in planning the event.

Next, meeting facilitator Rob Greenwood (Vice President, Ross & Associates) gave an overview of the conference's objectives and ground rules.[5] He also assured the audience that though under contract with the Pacific Institute, he is a neutral third party whose only obligation is to mediate a conference that delivers on its stated goals and allows all attendees full participation. He concluded with an exercise that allowed the participants to understand the geographic and sector distribution of the group, as well as the various relationships to water represented in the room.

First Day Morning Sessions

<u>Session 1: *How do Companies Currently Understand Their Interface with Public Policy on Various Issues and Geographic Scales*</u>
The first panel session featured representatives from endorsing companies, who outlined their current activities with respect to water policy engagement.

Some of the key ideas and innovative approaches highlighted in this panel included:
- *Coordinated global water management:* Though the panelists acknowledged the need to address water locally, one major constraint in water management is the lack of coordinated global public policy relating to water that might allow for improved efficiency.
- *Holistic advocacy on water policy:* Companies can promote policies that address the needs of all sectors of society, and in particular those most affected by corporate water use and discharges. In so doing, they will build their reputation and improve the environmental and social conditions necessary for prosperous business operations.
- *Collective actions:* Companies can advance informed public policy through strategic partnerships with global initiatives in the field, such as the Water Footprint Network (WFN), International Water Association (IWA), and World Business Council on Sustainable Development (WBCSD), that provide tools/platforms for policy engagement. They can also partner with local initiatives in order to gain needed local expertise.
- *Risk mitigation:* Policy engagement can help mitigate various forms of business risk:
  - Physical - through improved freshwater availability/reliability,
  - Financial - through helping manage water costing,
  - Regulatory – by helping ensure regulations are reasonable and holistic,

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[5] For the ground rules agreed to for the inaugural meeting in March, and upheld at this conference, see Appendix B.

       o Reputational – through increased consumer acknowledgement of company as "green" due to the promotion of equitable and effective water policies

- *Consultative approach to policymaking:* Some governments have adopted consultative approaches to policymaking which allows companies to input into policy development. This helps ensure workable policies as well as less corporate opposition to regulations. Councils representing business, labor, and other interests can be formed to work as an interface with government.

Session 2: *Application of McKinsey's Water Marginal Cost Curve for Policy Decision-making and Allocation of Roles and Responsibilities*
In the second session, representatives of McKinsey & Company presented findings from their recent water initiative – a three way partnership among McKinsey, the International Finance Corporation (IFC), and a consortium of businesses. The general goal of the work is to:

1) Create a database of water scarcity issues that might help quantify actions on water
2) Understand what can be done about growing water scarcity
3) Create effective policy pathways

The presenters continued by outlining the growing hazards of the water crisis for business, asserting that their analysis shows that productive sectors may see severe limitations on their water use by 2040 and that only half of global water demand will be met by 2030. McKinsey also presented its marginal cost curve for water – a micro-economic, marginal cost, financially-focused tool that helps isolate the "least cost" water supply (i.e., including demand management) investment path for water managers and companies.

Session 3: *Stakeholder Perspectives on the Potential and Pitfalls of Corporate Engagement in Water Governance and Policy Setting*
The third panel session gave stakeholders from civil society, the UN, national government, and business associations a chance to provide their thoughts on the opportunities and concerns for corporate engagement with water policy. It was followed by an open facilitated discussion.

Some of the key issues and strategies that arose in the discussion included:
- *Integrated and locally-adapted responses:* Water issues are inherently local and dependent on regional contexts. Therefore, water policies must address and be able to adapt to these local contexts.
- *Driving government action:* Companies can play a crucial role in pushing governments to fulfill their mandate to provide adequate water supplies and services to all citizens. In helping to ensure sufficient water for all, companies will be less exposed to reputational risks stemming from the perception of competition between corporates and communities.
- *Proactive policy:* Companies often only act on water concerns as a reaction to external pressures or crises (e.g., droughts), however, they can reduce business risks and save time and money by anticipating and addressing concerns before they become problems.
- *Sharing private sector water tools*: Many governments and NGOs, particularly those in emerging economies, are far behind the private sector in their water resource analysis tools. Business can contribute to policy-making by sharing their sophisticated analyses, data sets, and techniques with governments and civil society groups.

- *Transparency and promoting equitable access to water policy and decision-making are key*: There is much public skepticism concerning the private sector's intentions in the context of water policy engagement and the potential for policy capture. Companies can mitigate these concerns by allowing the public to know how they are engaging in policy, as well as how such engagement relates to broad public policy goals. Further, it is important for companies to promote equal and equitable access to water policy and management decisions and to ensure that engagement is consistent with a set of basic principles that support access to clean and safe water.

Breakout Session A: Corporate Water Footprinting

In the afternoon of day one, the multi-stakeholder workshop split into two concurrent sessions that delved more deeply into specific topics regarding water and public policy. Breakout Session A focused on the potential for water footprinting to inform companies' policy engagement efforts and was facilitated by Will Day (Chairman, Water & Sanitation for the Urban Poor).

Session 4A: *From Corporate Water Footprinting to Public Policy*
Breakout Session A's first panel featured presenters speaking about using water footprinting tools – and the resulting improved understanding of water risks – to influence and inform water policy and advance public-private partnerships on water.

Some of the key conclusions and common threads discussed in this session were:
- *Public-private cooperation:* The last few years have seen an evolution in corporate thinking that demonstrates a more nuanced examination of regulatory developments and an increased willingness to engage in public-private partnerships to form workable water management outcomes. That said, some companies believe policy engagement on water exposes them to too much risk, while some governments remain skeptical of companies due to concerns of policy capture.
- *Supply chain thinking:* The greatest challenge in water footprinting is measuring use and impacts across the supply chain (i.e. indirect water use). The most important information – data on agriculture and the sourcing of raw materials is also the most difficult to obtain and analyze. Supply chain footprints are incredibly useful, but also quite resource- and time-intensive to assess.
- *Risks mitigated by water footprinting:* Like in previous sessions, participants advocated for proactive actions that mitigate risks, such as water footprinting and watershed risk mapping. In particular, the WBCSD Water Tool was identified as a helpful way to determine the facilities most susceptible to water scarcity and other water-related risks.[6]
- *Risks caused by water footprinting:* Water footprint analyses – if reflective of local rather than global conditions – can be great tools for corporate understanding of impacts and risks, but can also expose companies up to higher levels of public scrutiny. Conversely, if footprints merely provide global-level data, they may avoid some of these risks, but are of little practical benefit.

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[6] For more on the WBCSD Water Tool, go to:
http://www.wbcsd.org/templates/TemplateWBCSD5/layout.asp?type=p&MenuId=MTUxNQ&doOpen=1&ClickMenu=LeftMenu

<u>Session 5A:</u> *Stakeholder Perspectives: Understanding Basic Expectations and Perceptions of Best Practice vis-à-vis Managing Shared Risk*

Breakout Session A continued with perspectives from civil society organizations and UN agencies on critical issues and aspirational goals for corporate water footprinting tools, and in particular how those tools can be used to advance responsible water policies and management.

Some of common threads mentioned by panelist and followed in the ensuing discussion include:

- *Measure, analyze, respond:* Companies cannot simply measure volumetric water indicators. They must use those measurements to understand and assess the *impacts* of their water uses and discharges, and then use that understanding of impacts to form effective on-the-ground actions and policy responses.
- *Need for measurable and enforceable targets on water impacts:* Clear public policy goals or targets for major water-related indicators (i.e. water use efficiency, wastewater discharge, etc.) that are both easily quantifiable and enforceable provides greater accountability to stakeholders and a strong incentive for sustainable corporate policies and actions.
- *Public policy can drive innovation:* Well crafted stricter regulatory goals and targets can help drive technological innovations and create an imperative for collaboration on regulatory development if framed appropriately. By helping to establish forward-thinking public policy, corporate leaders can encourage other companies to use their abundant resources to find technological solutions that enhance water efficiency and reduce impacts on natural waterways.
- *Companies reliant on reliable and effective upstream public management***:** Business operations are often negatively impacted by a lack of effective public management of water resources upstream of their facilities. In this sense, companies are well served by advocating for balanced, sustainable water management policies and building the capacity of governments to responsibly manage water resources. In some circumstances, companies can have greater visibility and traction among governments than do local communities, and therefore can be well-positioned to advocate for sustainable policies. This may be particularly true in the Global South and other emerging economies where government accountability mechanisms are often less developed.
- *Implementation problems:* Though effective public policy is unquestionably a corner-store of sustainable water management, effective implementation is just as large a concern. Companies must also invest resources in ensuring national and local government's ability to implement policies on the ground.
- *Stakeholder inclusiveness and partnerships:* Companies interfacing with public policy or water management can expect to face mistrust. To enhance legitimacy (and protect against the emergence of "policy capture" concerns), corporates can craft an engagement strategy that includes relationships and partnerships with affected communities, civil society groups, and national and international agencies. Several companies reported that the community water projects that were most effective were those that were developed with stakeholders and partners.

Breakout Session B: The Human Right to Water and Business

<u>Panel Session 4B: Implications of a Human Right to Water for Business</u>
Facilitated by Robert Greenwood, Breakout Session B featured two panels and discussion. The first panel session introduced the concept of the human right to water and provided background on the legal context surrounding this concept. It featured representatives from the UN Office of the High Commissioner for Human Rights and the Institute for Human Rights and Business.

Some notable aspects of this session's presentations were:
- *Defining the human right to water:* The human right to water means sufficient, safe, acceptable, physically accessible, and affordable water for personal and domestic uses in order to sustain life and health for all humans.
- *Implicit right:* Though the human right to water is not among the 32 internationally-recognized human rights listed in UN Declaration on Human Rights, it is implicit to other human rights, such as the right to life, the right to health, the right to food, the right to an adequate standard of living, and more.[7]
- *The Ruggie Framework:* The April 2008 framework entitled "Protect, Respect, and Remedy: a Framework for Business and Human Rights", developed by John Ruggie – the Special Representative of the UN Secretary-General on business and human rights – establishes that business has a responsibility to "respect" human rights. This entails companies performing due diligence to identify, prevent and mitigate the impact of their activities on human rights, including those related to water. It also calls on companies to provide access to an effective and credible grievance mechanism for the potentially impacted.[8] The Ruggie framework was welcomed by the United Nations Human Rights Council in 2008.
- *Rights-based approach:* A rights-based approach to corporate water management acknowledges access to safe and affordable water as an entitlement, extends services to marginalized and vulnerable areas and groups, and sets a clear priority on domestic needs/uses over corporate uses. A rights-based approach also implies accountability on behalf of those responsible for delivering access to water, full compliance with all national and local laws, responsible wastewater discharge, understanding of supply chain impacts, and transparency around contracts. At the same time, a rights-based approach does not necessarily require a legal commitment to the human right to water, and therefore would not expose companies to regulatory or legal risks.

<u>Session 5B: *Stakeholder Perspectives: Understanding Basic Expectations and Perceptions of Best Practice vis-à-vis Business, Human Rights, and Water*</u>
The second session allowed for reflections by stakeholders from civil society and the investment community, with a focus on identifying core issues, baseline expectations, and aspirational goals with respect to corporate action on the human right to water.

Some of the key conclusions reached and questions raised during this session were:

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[7] For more on The Universal Declaration of Human Rights, see: http://www.un.org/Overview/rights.html
[8] For more on the Ruggie Framework, see: http://www.reports-and-materials.org/Ruggie-report-7-Apr-2008.pdf

- *Agreement to further explore the human right to water:* Participants engaged actively in discussion regarding the human right to water and the general momentum from this discussion indicated an understanding of the need to more precisely frame its practical application in day-to-day business operations. Several participants indicated strong support for adopting corporate behavior consistent with treating water as a human right (as described during the previous sessions), while others urged a degree of caution and believed there is a need to better define the "responsibility boundaries" and "ethical limits" for corporate water-related citizenship. All participants engaging in the discussion showed support for continued exploration of this topic.
- *Business advantage to universal access:* Companies have an economic stake in ensuring that communities are healthy and prosperous and therefore can contribute as consumers and laborers.
- *Baseline expectations for industrial users with respect to the human right to water:*
  o Improve water use efficiency and reduce discharges in direct operations
  o Comply with all national and local laws
  o Strengthen relationships with local communities
  o Engage with civil society and UN agencies on water
- *Aspirational goals for industrial users with respect to the human right to water:*
  o Extend water management and measurement throughout the supply chain
  o Assess rights impacts in choosing suppliers and facility sites
  o Push governments (through policy advocacy and capacity building) to strengthen water governance and improve access
- *Responsible investment:* The investment community must accept responsibility to distribute funds to development projects that respect the human right to water, building capacity for communities to access water services and for governments to effectively manage water resources.
- *Questions raised during this discussion included:*
  1. How can companies practically operationalize the human right to water within their business activities? How can they address the current lack of implementation tools to support corporate "respect" of the human right to water?
  2. Which communities need to be considered in human rights discussions – consumers or communities living in proximity to facilities?
  3. How can business help fulfill the right to water through policy engagement? Is advocacy with the government on sustainable water management and the human right to water a baseline expectation or aspirational goal?
  4. What are the data and access constraints for performing due diligence on the human right to water throughout the supply chain?
  5. How can companies manage potential tensions among varying human rights such as food, energy, and water?
  6. What is the role of business vis-à-vis basic water needs that governments are responsible for? What can businesses do in the absence of sufficient public governance and management?
  7. How can the Mandate itself articulate an approach to business' role in the human right to water?

Second Day Sessions

The second day of the workshop began with a review of the day's agenda and a synopsis of the first day's discussions and common threads by the workshop facilitator, Robert Greenwood. His remarks were followed by summaries by two rapporteurs of the discussions and conclusions reached in the previous day's breakout sessions. Linda Hwang (Manager, Business for Social Responsibility) covered the breakout session on corporate water footprinting and shared risk, while Meena Palaniappan (International Water and Communities Initiative Director, Pacific Institute) recapped the breakout session on the business implications of a human right to water. Highlights of the rapporteurs' summaries and resulting discussion by workshop attendees have been incorporated within the bullet points for those respective breakout sessions.

Session 7: *Stakeholder Perspectives: Understanding Basic Expectations and Perceptions of Best Practice with Regard to Corporate Water Policy Engagement*

This session saw representatives from UN agencies and civil society organizations provide their perspectives on basic expectations and best practice/aspirational goals with respect to corporate engagement with water policy.

A summary of some key steps companies can take on the path to water stewardship are:
- *Leading versus following:* Companies can promote good public water governance by leading by example and establishing responsible management of their own water uses and discharges. This might include adopting an ecosystems approach, a lifecycle approach, a rights-based approach, full public disclosure, and broader stakeholder inclusiveness.
- *Fulfill needed and desired role in management of shared water resources:* Corporate philanthropic efforts can sometimes end in perverse outcomes (e.g. diverting initiatives, initiatives overload, informational imbalance and capture, wasteful and ineffective spending). Companies must that a holistic view and ensure that their activities fulfill a needed and desired role in water management and reach intended outcomes.
- *Knowledge of local and international players:* Companies must know their specific role in their partnerships. Each company, NGO, and UN agency has its own function – being clear and consistent about these functions is critical.
- *Engagement with local policy:* Though corporate and public attention is usually drawn to national and international policies, the majority of policy solutions for water management occur at the local level. Companies can use expertise from local communities and NGOs to actively engage with and positively influence local ordinances and policies.
- *Beyond talking, action:* Engaging with other initiatives in the field and local groups working toward these ends and creating an oversight mechanism can go a long way toward transforming policy and rhetoric into on-the-ground action. Companies and the Mandate itself must take steps to ensure talk leads to real change.

Session 8: *Presentation of a Preliminary Comprehensive Framework for How Companies can Understand Their Current and Potential Public Policy Engagement*

In the final session of the multi-stakeholder workshop, Jason Morrison (Globalization Program Director, Pacific Institute) presented the preliminary outlines of a comprehensive framework for corporate policy engagement on water. This framework represented a summary of the key

themes and conclusions reached at the workshop, as well as a potential roadmap for how companies can move forward with public policy engagement on water.

Framing Engagement
- Companies can and should engage policy with a holistic view, understanding that water management decisions are ultimately economic development decisions (with social and environmental implications).
- Companies can play a positive role in providing actionable approaches, data, and tools for policymakers.
- Companies can engage in water policy from the top down and bottom up – in both cases they are seeking to ensure more comprehensive and integrated public policy.

Top-down policy engagement

- o There is a need for companies to raise awareness that global-level policies and approaches to solving broader sustainability issues have underappreciated implications for water. Biofuels and international trade and agriculture policy are all examples where the energy-water-food nexus is not fully recognized or integrated in public policy making.
- o Globally accepted policy objectives such as the UN Millennium Development Goals (MDGs) can not only steer national/regional water policies, but also corporate water management practices (and policy engagement activities):
  - ▪ Access to Water – Companies can take action to promote strong public regulatory frameworks and water governance; this can include promotion of equitable access to water services and decision-making.
  - ▪ Integrated Water Resources Management – Companies can reduce their water footprint, promote watershed and stewardship approaches, support capacity building and community development, etc.

Bottom-up policy engagement

- o Policy engagement can serve as a means to address shared risk between the public and private sectors:
  - ▪ Extending the temporal horizon provides setting for understanding mutual interests
  - ▪ Competitive coalitions can emerge in high-risk, complex systems
- o There is a range of voluntary "policy engagement" activities beyond direct advocacy, focusing on implementation/fulfillment of policy objectives:
  - ▪ Invest in projects on water stewardship, ecosystem protection/restoration, and community access to water services
  - ▪ Partner with UN agencies and local NGOs for capacity building and improved water governance at the watershed level

Engagement Spheres
Spheres of action
1. *Plant performance* – improving facility performance and impacts on ecosystems and communities

2. *Watershed approaches* – ensuring the health of natural waterways and ecosystems
3. *Sustainable communities* – promoting community access to water services and policy decisions
4. *Policy advocacy* – directly engaging with policy and using the "voice of the company" to promote inclusive, integrated policies that are workable for all

<u>Baseline expectations:</u>

- Lead by example through good governance of water (optimize supply protection, withdrawal, use, and discharge) – also include "do no harm" perspective
- Advocacy actions should not place individual corporate interests at cross purposes with the provision of safe and adequate water supplies
- Philanthropic actions should be well coordinated within a community and look to ensure water sustainability over the mid- to long-term.

<u>Good practices:</u>

- Support workable, predictable, harmonized, and open policies that benefit all
- Push governments to deliver on their duties to ensure water access for citizens and protect ecosystems; Advocate for policies that ensure government can meet its water management mandates
- Emphasize how governments should better "value" water; fair pricing policies; undertake efforts to communicate the value of water to raise awareness among political leaders
- Conduct due diligence (i.e. investigate business activities' impact on human access to water and ecosystem health and services)
- Protect source water
- Share data, technical expertise, and water analyses with government agencies, NGOs, and communities to boost capacity of local actors (engage in "joint capacity building") and sponsor experts and research at local level
- Act directly to improve access to water services for all
- Advocate for improvement in water allocation system through robust regulation (basin management reform)
- Define common principles and adhere to them as part of local operations (water stewardship guidelines)
- Actively seek partnerships along the corporate water management chain to ensure sustainable access to safe and adequate water supplies
- Disclosure advocacy activities as part of transparency practices

Policy Engagement Pitfalls and Risks

- Timing of policy engagement is critical to public perception of corporate involvement.
  o Be proactive rather than reactive (shortage/pollution = conflict) to avoid being seen as competitive.
  o Understand the long-term commitment to engaging in the policy sphere; there may be reputational risks associated with disengaging from the policy arena.
- The notion of "who decides" is paramount with regard to effective water policy.

- o Be cognizant of sensitivities in other sectors stemming from imbalances in capacity, resources, and access between business and local communities.
- o Recognize potential imbalances in access to policy decision-making and proactively promote a level playing field and equitable access to policy discussions and outcomes for all stakeholders.
- Be transparent about policy engagement and intent to avoid perception of policy capture. There is a range of stakeholder expectations regarding whether companies should pursue narrow interests (i.e. policies that benefit themselves) versus a more holistic approach (i.e. policies that consider all sectors of society), making this a potential source of risk. Regardless, in order to create robust and enduring public policy outcomes (that can meet company interests in the short, medium, and long term), companies need to take transparent, practical steps that ensure a level playing field. That may entail more effort (and compromise) up front, but also more certainty (lower risk) going forward consistent with their investment horizons.

Forward Looking Actions
- Work to advance what it means to "respect" water as a human right – in particular, explore the practical, operational aspects to help companies better understand potential opportunities, pitfalls, and constraints.
- Begin work on a public policy engagement guide, including work on articulating "responsibility boundaries." This would draw on, but substantially flesh out, the framework that emerged from discussions at the meeting.
- Work to follow up on the *Water Disclosure 2.0* study to begin translating this research into a more concrete approach to Mandate reporting.

Working Conference Closing Remarks
Concluding remarks by Gavin Power (Head, The CEO Water Mandate) pointed toward the need for shared approaches for water management and the importance of exploring how the Mandate can understand and act on the human right to water. He asserted the initiative's commitment to moving beyond simply being a "talk-shop", expressing a desire to provide a best practice resource on public policy engagement and further practical guidance on business' role in advancing the human right to water. Lastly, he advocated for the Mandate to make use of the UN Global Compact's extensive global network, and to have a presence at the 2010 UN Global Compact Leaders Summit at UN Headquarters in New York. He closed by expressing his gratitude for the candor and frankness of endorsing companies and stakeholders, and thanked the event's sponsors: Dow Chemical, Nestlé, Diageo, Coca-Cola, Levi-Strauss, Unilever, and the World Wildlife Fund (WWF).

Transparency Framework Seminar Proceedings

Objectives

> ➤ Clearly inform audience of findings of the CEO Water Mandate Transparency Framework Phase II analysis.

> ➤ Garner feedback regarding the degree to which current corporate water disclosure meets stakeholder information needs and interests, and in particular in relation to the six elements of the CEO Water Mandate. Where water disclosure is deemed deficient, discuss options regarding how it might be improved moving forward.

> ➤ Gather input from audience (and ideally common ground on) next steps for the Mandate vis-à-vis water transparency based on report's findings and recommendations.

Summary

As part of its ongoing work on corporate transparency, The CEO Water Mandate held its first public session on the evening of Monday, March 15 with the aim of presenting the recent study it commissioned of the Pacific Institute that was released the week prior to the Forum, entitled "*Water Disclosure 2.0 – Assessment of Current and Emerging Corporate Water Reporting*". [9] The seminar also set out to elicit feedback and input on the Mandate's Transparency Framework from stakeholders who have yet been able to attend a Mandate event.

Introductory comments and presentation of findings

The seminar begin with introductory marks from Mr. Power who gave an overview of the Mandate, its working conferences, its public reports and documents, and the first annual independent review of the initiative's activities. Mr. Power also gave a brief outline of the process that culminated with the March 2009 study on corporate water reporting, produced by the Pacific Institute and commissioned by the Mandate as the second phase of its Transparency Framework.

Jason Morrison then presented some of the key findings from this report, briefly revisiting key points from phase one of the Framework which aimed to:

> ➤ Delineate the basic expectations of the CEO Water Mandate Secretariat regarding minimum transparency-related responsibilities of endorsers,
> ➤ Lay out the broad architecture regarding how this unique Mandate element can be conceptualized and operationalized within the initiative.

He explained that endorsers and other stakeholders alike identified transparency, for endorsing company water practices and for the initiative itself, as a crucial component to the success of the

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[9] To read the report in full, see: http://www.pacinst.org/reports/water_disclosure/report.pdf

Mandate at its first working conference in March 2008. As such, the endorsers called for this expansion of the Transparency Framework, embodied in the Pacific Institute report, at its August 2008 working conference. The key objectives of this second phase were to:

- ➢ Illustrate various forms of reporting approaches and contents, highlighting good practices and innovative approaches,
- ➢ Identify commonalities, differences, and gaps among water reports (both Mandate-endorsing companies and others),
- ➢ Summarize and present the findings in a way that can serve as de facto guidance for corporate water reporting.

In order to fulfill these objectives, the study analyzed the reporting methodology and water-related contents of the corporate responsibility reports from 110 companies spanning 11 sectors that are either water-intensive by nature or in a unique position to influence water management. The reports were assessed against three factors regarding report methodology and 20 criteria regarding report content based on the Mandate's six core elements.

Some of the key findings of this study were:
- Companies in the beverage sector had the most robust water reporting, while the financial and apparel sectors had the least robust reporting.
- All sectors, but one, had Direct Operations as their highest reporting Mandate element. Beyond this, all sectors had Transparency as their second highest reporting Mandate element. All sectors featured significant drop off in the adequacy of their reporting for the remaining four Mandate elements.
- Exactly half of the reports outlined the materiality assessment process used in the development of the report; 47% of companies used stakeholder engagement to inform the methodology and content of their CR reports.
- Only 7% of companies in the analysis attempted to measure water uses in their supply chain, which in some cases can comprise up to 95% of a corporate water footprint.
- Only 11% of companies in the analysis described their efforts to participate in water governance and decision-making, while less than 3% of companies engaged in any advocacy for sustainable water policy.
- 70% of companies acknowledge internationally-recognized human rights, while no companies explicitly acknowledged the human right to water.

Some of the primary conclusions reached in this analysis were:
- In the last 18 months since a 2007 Pacific Institute report on corporate water reporting,[10] the depth and breadth of corporate water reporting has shown much improvement.
- Companies have the most room for improvement on reporting issues outside of their direct operations (e.g. measuring water impacts in supply chain, working with public water managers, and engaging with communities affected by business operations).
- More work needs to be done for CR reports to harmonize with existing corporate reporting guidelines, such as GRI and AA1000.
- Detail on individual corporate actions on water is vague at best. Future reporting can include more detail on the content, scope, and impacts of corporate actions on water.

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[10] To read this study in full, see: http://www.pacinst.org/reports/water_reporting/corporate_reporting_on_water.pdf

Panel Session: Stakeholder Perspectives on the Current State of Corporate Water Disclosure
Next, a panel of stakeholders including civil society organizations, representatives of the investment community, and an endorsing company spoke about successes and deficiencies in corporate water reporting, and the opportunities to help promote sustainable and equitable water management that reporting provides.

Some of the major issues and common threads noted by the panelists included:
- Water is part of the natural, public commons; there is no proprietary data for water.
- Some stakeholders believe the Mandate's Transparency Framework should include more stringent guidelines for endorsers' public reporting, including specific goals and targets, as well as annual reporting on progress toward these goals and targets.
- Current reporting does not meet investor demands and needs. Investors need more data in order to make informed decisions on sustainable water development projects.
- The process of developing CR reports must be more inclusive of a variety of stakeholders, particularly those from the investment community and from local communities affected by corporate activities.
- The Mandate's Transparency Framework can be further advanced by elucidating and distinguishing between Mandate elements, many of which feature significant overlap in their application (i.e. Collective Action, Public Policy, and Community Engagement).
- Companies need to report more robustly on the local context in which they are using water and discharge pollutants to waterways.

Facilitated Discussion on Key Conceptual and Practical Issues Relating to Water Transparency
The panel session was followed by a discussion of the Mandate's work on corporate water reporting and transparency, which allowed external stakeholders a chance to engage with the initiative. Mr. Power opened the floor to a representative from an advocacy NGO who presented a letter from a collection of NGOs expressing some broad concerns about the Mandate and also some of his own concerns more specific to the Transparency Framework. A fair portion of the facilitated discussed focused on these concerns (which at times strayed from the seminar's agenda). The discussion related to the Mandate's water transparency work is presented here, whereas the comments pertaining to the initiative more broadly are in the summary for the Informational Session below.

Some of the key issues and concerns raised during the ensuing facilitated discussion included:

Materiality and inclusiveness
> **Concern:** How can stakeholders ensure that the most appropriate data and indicators are tracked by companies and made publicly available? Communities affected by corporate activities must have better access to decision-making during the development of CR reports.
> **Response:** Current expectations for materiality assessments in corporate reporting are ill-defined and underdeveloped. If done effectively and inclusively, these assessments can ensure that the issues that present the most risk to business success as well as impacts to communities affected by business activities are emphasized in CR reports. This is currently not happening and must be addressed. Affected communities absolutely should

participate in the development of CR reports to ensure relevance, and can also potentially act as a third-party source of verification.

Reporting vs. action

Concern: Corporate reporting is not the same as true action or leveling the playing field for public policy. Why focus on reporting? How will you ensure on-the-ground change?

Response: Indeed, corporate reporting is not the same as true action and will not enact change in and of itself. However, transparency can and should play a useful role in communicating with stakeholders and increasing corporate accountability. The context-specific local responses needed to address many water-related concerns are often too specific for CR reports. CR reports are more suited to broader corporate water management practices, performance, and sustainability actions.

Verification/auditing against Mandate elements

Concern: CR reports are often not externally verified. How will stakeholders know when to trust these reports?

Response: The Mandate Secretariat and its endorsers have not ruled out requiring third-party auditing against Mandate elements. That said, doing so would likely be expensive and time-consuming, even if their broader CR reports are already being verified or assured. Furthermore, third-party verification is by no means a fool-proof way of ensuring report accuracy; conformity assessment comes with its own set of insufficiencies. Lastly, many of the process-oriented Mandate elements (e.g. Public Policy and Community Engagement) will be very difficult to effectively/objectively verify.

Informational Session Proceedings

Objectives

> ➤ Share with the broader public information about the CEO Water Mandate – its characteristics, objectives, current and planned activities, accomplishments to date, and aspirations

> ➤ Relay and seek input on the findings and outcomes from the multi-stakeholder workshop

Summary

Introductory remarks
Acknowledging The CEO Water Mandate's commitment to transparency and increased stakeholder inclusiveness, the Mandate Secretariat convened an informational session open to World Water Forum participants, in order to raise awareness of the initiative and the outcomes of the working conference, as well as gain input on next steps for the initiative from external stakeholders. The informational session featured an introduction from Gavin Power (Head, The CEO Water Mandate) who gave an overview of the UN Global Compact, its global network, and the Mandate itself. Mr. Power was followed by the meeting facilitator Rob Greenwood (Vice President, Ross & Associates) outlining the session's agenda and ground rules. Next, Jason Morrison (Globalization Program Director, Pacific Institute) gave a synopsis of the initiative's area of focus and current and future workstreams, namely the Mandate's Transparency Framework and supply chain and public policy engagement work.

Key findings from an independent assessment of the Mandate's 2008 activities
In preparation for the initiative's third working conference, the Mandate Secretariat commissioned an independent assessment of the Mandate's 2008 activities from Arthur D. Little, Ltd. The informational session featured a presentation of the key findings from this assessment by David Lyon (Senior Manager, Sustainability Services, Arthur D. Little, Ltd.).

Key findings from Arthur D. Little, Ltd.[11]
- The Mandate successfully established a constitution and framework for governance.
- It has demonstrated that it is not merely a "talk-shop" for endorsers - has established credibility through its initial activities.
- The Mandate's work on transparency was one of its most valuable workstreams in 2008.
- The initiative's transparency and inclusion of stakeholders improved steadily in 2008.
- The inaugural conference was effective in introducing initial endorsers and demonstrating a commitment to the call to action.
- The second conference achieved a more open multi-stakeholder discussion on two priority Mandate elements and considered gaps in understanding

Areas for Improvement
- Governance and the role of the Mandate

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[11] For Arthur D Little's full report, see:
http://www.unglobalcompact.org/docs/news_events/9.1_news_archives/2009_03_11/ADL_Report.pdf

- Supporting endorsers in implementation
- Increasing awareness of the Mandate
- Networking endorsers and key stakeholders

Stakeholders and endorser perspectives on the Mandate's first year
The presentation by Arthur D. Little, Ltd. was followed by a panel of stakeholders from the Interfaith Center on Corporate Responsibility, OneWorldStandards Ltd., and the Water Footprint Network, who reflected on the successes of the Mandate, areas in which it can improve, and their aspirations for its future direction. The panel of stakeholder perspectives was followed by one featuring representatives from endorsing companies, including Coca-Cola, Unilever, and Sasol Technology.

Facilitated discussion
The public session ended with a facilitated discussion open to all attendees. Like the discussion at the public transparency seminar, this discussion focused primarily on concerns about the initiative raised by a few civil society organizations, and responses to these concerns from the Mandate Secretariat, endorsing companies, and other civil society organizations. Despite the intent to address the initiative as a whole, a number of questions were directed at specific companies. Those questions, while valid, are not presented here as they do not pertain to the initiative per se.

Some of the key feedback and concerns expressed and responses provided included:[12]

Corporate rights vs. human rights
> **Concern:** Some endorsers are profiting from the privatization of water services or bottling of water, while millions suffer from a lack of access. The UN must be careful to ensure that water as a corporate right does not trump water primarily as a human right for all. Companies whose business is to privatize/commodify water should not be included in an initiative that claims to promote sustainable and equitable corporate water management.
> **Response:** The CEO Water Mandate has yet to take any initiative-wide stance on the human right to water or the efficacy of water privatization. That said, the initiative's working conference in Istanbul was in part devoted to better understanding the implications of the human right to water for business. The Mandate Secretariat and endorsers are committed to continuing to explore practical ways companies can address the human right to water. There is a difference between companies that buy up/manage public water resources and those that require it for their business operations. The vast majority of endorsing companies fall in the latter.

Affiliation with United Nations is a concern
> **Concern:** It is inappropriate for a water-focused initiative whose primary purpose is to serve business needs to use the United Nations brand and that only provides voluntary

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[12] Some broad concerns about the Mandate as a whole that were originally expressed at the Transparency Framework Seminar are being listed here due to their general nature.

requirements. As such, the UN should rescind its affiliation with such a public-private partnership.

Response: The Mandate is a sub-initiative of the UN Global Compact – an entity within the vast UN system devoted specifically to improving corporate sustainability practices. The Mandate is in line with standard principles and practices for the Global Compact, namely being voluntary in nature and working to facilitate actions and partnerships that help companies become more sustainable and equitable.

Voluntary action vs. public regulation

Concern: The Mandate is not a viable replacement for public regulation and compulsory policy measures. Voluntary initiatives are not effective and merely a means of "greenwashing"

Response: The Mandate has never claimed or aspired to be a viable replacement for public regulation and recognizes the importance of effective and equitable regulation in ensuring sustainable water management. Furthermore, voluntary initiatives are increasingly gaining credibility as one mechanism to encourage good corporate practice and foster improved communication and good will. They are one part of a greater solution that includes public regulation and standardization, among other approaches.

Endorser-only Meeting Proceedings

Objectives

> ➢ Digest proceedings from multi-stakeholder working conference

> ➢ Determine the date/location/subject of the initiative's next convening

> ➢ Discuss opportunities for improving event planning

> ➢ Decide future governance matters (i.e., Steering Committee election) and funding of the initiative

> ➢ Plan communications/outreach and recruitment strategy

> ➢ Determine immediate next steps/action items/workstreams

Summary

Public Policy Engagement[13]
Endorsers and the CEO Water Mandate Secretariat decided that the initiative will further its work to develop a water policy engagement guide, and in doing so, will work actively with endorsers and other stakeholders. This guide will draw on, but substantially flesh out, the preliminary framework that emerged from discussions at the Istanbul meeting, and among other things, will define the "contours and fence lines" for corporate engagement in water policy, map salient water-policy issues/spheres, define what it mean to act consistently with the concept of the human right to water, and recommend a series of "do's and don'ts" for successful policy engagement. The Mandate Secretariat will continue to develop the draft framework in preparation for the fourth working conference in Stockholm (August 2009), where the initiative's approach to developing the guide will be further discussed and refined by endorsers and key stakeholders.

The Mandate established a Working Group on Water and Human Rights to discuss and define next steps on this workstream for the initiative. Possible activities include development of a position statement on business, water, and human rights or preparation of a discussion paper on what it means to "respect" water as a human right, and in particular, explores the practical, operational aspects to help endorsers better understand potential pitfalls and constraints.

Water Disclosure
The group decided it will follow up on the initiative's recently released *Water Disclosure 2.0* study and address some of the report's conclusions regarding the need for guidance that will advance more effective approaches to water reporting. In particular, working actively with endorsers and external stakeholders, the CEO Water Mandate will:

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[13] A more comprehensive overview of the concepts and discussions regarding water and supply chain management can be found in the meeting summary for the multi-stakeholder portion of the workshop.

- o Develop guidance that will improve and make more consistent *qualitative* water reporting, with a focus on the Mandate's "process-oriented" elements, such as Watershed Management, Community Engagement, Collective Action, and Public Policy.
- o Build methods and guidance to support companies in better understanding materiality and reflecting the sustainability context into their water-related reporting.

Governance

Reflecting one of the findings of the Arthur D. Little review for improved governance of the initiative, the group agreed to a more formal nomination process to reconstitute the Steering Committee for the 2009-2010 period. Interested endorsers were asked to self-nominate, and it was agreed that the Secretariat would submit to the inaugural Steering Committee for approval a recommended slate for the next Steering Committee.

Future Meetings

In accordance with its agreement to hold biannual working conferences, the endorsers and Mandate Secretariat agreed to hold the initiative's fourth working conference August 17-18, 2009 in Stockholm during World Water Week. A subsequent meeting will be held at UN Headquarters in New York City the first quarter of 2010.

Appendix A: List of Working Conference Participants

Affiliation	Name	Title
Endorsing companies and prospective endorsers		
Athens Water and Sewerage Company	Margarita Gamaletsou	Corporate Communications Manager
Calvert Group	Julie Frieder	Environment Analyst
Coca-Cola Company	Ebru Bakkaloğlu	PA/C Director
Coca-Cola Company	Denise Knight	Global Water Initiative Manager
Coca-Cola Company	Lisa Manley	Director - Environmental Communications
Coca-Cola Company	Galya Molinas	Turkey Business Unit President
Coca-Cola Hellenic Bottling Company	Tony Baynes	Director of Public Affairs
Coca-Cola Hellenic Bottling Company	Jens Rupp	Sustainability Manager
FEMSA Foundation	Vidal Garza Cantú	President
FEMSA Foundation	Eva Fernandez Garza	Head of Strategic Alliances
GlaxoSmithKline	Brett Fulford	Director of Strategic Projects
H&M	Henrik Lampa	Supply Chain Environmental Coordinator
Levi Strauss & Co.	Egemen Topaloglu	Regional Officer, Social and Environmental Sustainability
Marks and Spencer	Laila Petrie	Supplier Exchange Manager
Nestlé S.A.	John Bee	Director, Public Affairs
Nestlé S.A.	Herbert Oberhaensli	Assistant Vice President – Economic & International Relations
Netafim	Naty Barak	Director of Global Corporate Responsibility
Netafim	Aliza Tamir	VP Marketing
PepsiCo, Inc.	Claire Lyons	Global Grant Program Manager
Pure-O-Tech, Inc.	Can Sirin	Chief Executive Officer
Pure-O-Tech, Inc.	Mirat Gurol	Chief Scientific Advisor
Ranhill Berhad	Tan Sri Hamdan Mohamad	President/CEO
Ranhill Utilties Berhad	Ahmad Zahdi Jamil	Chief Executive Officer
Royal Dutch Shell	Joppe Cramwinckel	Senior Sustainable Development Advisor
Reed Elsevier	Mark Gough	Environment and Health & Safety Coordinator
SABMiller	Andy Wales	Group Head of Sustainable Development
Sasol	Andries Meyer	Technology Manager – Water Supply & Utilization
SEKEM Holding	Helmy Abouleish	Managing Director
Siemens Water Technologies	Simon Davidoff	Strategic Marketing
Syngenta	Juan Gonzalez-Valero	Head of Corporate Responsibility
Syngenta	Peleg Chevion	New Business Ventures Manager
Unilever	John Temple	Vitality Director, Home and Personal Care R&D
UN agencies and government officials		
Diputació Provincial de València	Miguel Muñoz	Chief of Environment Diffusion
Directorate of State Hydraulic Works of Turkey (DSI)	Huseyin Gundogdu	
International Finance Corporation	Usha Rao-Monari	Senior Manager - Infrastructure Dept.
New Partnership for Africa's Development (NEPAD)	Aniebo Roberts	HEAD, Political, Economic & Corporate Governance and Bilateral Cooperation
OECD	Céline Kauffman	Economist/Policy Analyst

Affiliation	Name	Title
OECD	Monica Scatasta	OECD Water Programme Co-ordinator
UN OHCHR	Lene Wendland	Adviser on Business and Human Rights
UN OHCHR	Lucinda O'Hanlon	Assistant to the Special Rapporteur
UNDP	Juerg Staudenmann	Water Governance Advisor for Europe/CIS
UNEP	Cornis van der Lugt	Programme Officer
UN-HABITAT	Andre Dzikus	Chief - Water and Sanitation Section II
UN-WATER	Frederik Pischke	Advisor
USAID	Sharron Murray	Freshwater Program Manager
USAID's Advancing the Blue Revolution Initiative	Kristina Kohler	Partnership Development Specialist
Water Supply and Sanitation Collaborative Council	Jon Lane	Executive Director
Civil society		
Centre on Housing Rights and Evictions	Lara El-Jazairi	Legal Officer
Centre on Housing Rights and Evictions	Kerubo Okioga	Right to Water Programme
Centre on Housing Rights and Evictions	Virginia Roaf	Acting Coordinator - Right to Water Programme
Conservation International	Tracy Farrell	Senior Director of Strategic Projects
Consumers International	Robin Simpson	Senior Policy Advisor
Institute for Human Rights and Business	Salil Tripathi	Policy Director
Institute for Human Rights and Business	John Morrison	Executive Director
NRDC	Ronnie Cohen	Senior Policy Analyst
The Nature Conservancy	Jonathan Kaledin	Blue Water Certification Program Director
Water Witness International	Nick Hepworth	Senior Consultant
WWF International	Stuart Orr	Freshwater Policy Officer
WWF-Turkey	Ceren Ayas	Freshwater Programme Officer
WWF-UK	Mercedes Nattero	Global Account Manager for HSBC
WWF-US	Chris Williams	Director, Freshwater Conservation
Other		
AquaFed	Jack Moss	Senior Water Advisor
Arthur D Little	Richard Skidmore	
Arthur D Little	David Lyon	Senior Manager – Sustainability and Risk
Business for Social Responsibility	Linda Hwang	Associate, Research & Development Team
Council for Multilateral Business Diplomacy	Katherine Hagen	CEO, Human Resources International
Freie Universitat Berlin	Nicole Kranz	Researcher
Future 500	Matt Turner	Director, Global Stakeholder Initiative
Global Reporting Initiative	Sean Gilbert	Associate Director, Technical Development
Hermes Pension Fund Management	David Griffiths	
Interfaith Center on Corporate Responsibility	Leslie Lowe	Energy & Environment Program Director
International Union for Conservation of Nature	Alejando Iza	Head of IUCN Environmental Law Programme
International Union for Conservation of Nature	Mark Smith	Water Management Advisor in the Global Water Programme
International Water Management Institute	David Molden	Deputy Director General - Research

Affiliation	Name	Title
LECG	Will Lynn	Project Manager
Madrid Water Institute	Miguel Solanes	Consultant to IISD and GTZ
McKinsey & Co.	Lee Addams	Consultant
McKinsey & Co.	Giulio Boccaletti	Environmental Manager
McKinsey & Co.	Martin Stuchtey	Principal
OneWorldStandards, Ltd.	Matthew Wenban-Smith	Director
Pegasys Strategy and Development (Pty) Ltd	Guy Pegram	Managing Director
Water & Sanitation for the Urban Poor	William Day	Chairman
Water Footprint Network	Arjen Hoekstra	Scientific Director
Water Stewardship Initiative	Michael Spencer	Co-Director
WBCSD	Anne-Leonore Boffi	Program Officer, Water
WBCSD	Eva Zabey	Assistant Program Manager, Water and Ecosystems
World Economic Forum	Sylvia Lee	Associate Director, Environmental Initiatives
World Economic Forum	Alex Mung	Project Manager, Environmental Initiatives
Events organizers		
Pacific Institute	Jason Morrison	Program Director
Pacific Institute	Peter Schulte	Research Analyst
Ross and Associates (meeting facilitator)	Rob Greenwood	Vice President and Principal
UN Global Compact	Gavin Power	Head, CEO Water Mandate

Appendix B: Meeting Ground Rules for CEO Water Mandate 3rd Working Conference

This CEO Water Mandate event offers a unique opportunity for endorsing companies and other key stakeholders to share approaches and emerging practices, build relationships and explore partnership opportunities, and generate enthusiasm and consider near-term strategies for this new public-private initiatives.

The day and a half-long Working Conference offers a mix of panel presentations and discussion opportunities intended to foster in-depth deliberations. Rob Greenwood, as facilitator, is a neutral third party with no stake in the outcome of discussions. Although under contract to the Pacific Institute, he works for the process and treats all meeting participants as equal "clients." The organizing team puts forward the following streamlined ground rules for all meeting participants to guide conference deliberations:

- **Active, focused participation**. The conference is structured to encourage an active exchange of idea among participants. Voicing these perspectives is essential to enable meaningful dialogue. To that end, we encourage attendees to actively participate in the discussion and fold in their perspectives throughout the day.
- **Constructive input.** Meeting participants are encouraged to frame observa
- tions in terms of needs and interests, not in terms of positions; opportunities for finding solutions increase dramatically when discussion focuses on needs and interests.
- **Respectful interaction.** Conference participants are encouraged to respect each other's values and legitimacy of interests. We further ask that you strive to be open-minded and integrate participants' ideas, perspectives and interests.
- **Focused comments.** Our 1.5 day-long agenda is ambitious, with many topics to cover and numerous perspectives to fold in. Given the limited time, we ask that participants keep their comments as succinct and focused as possible and help ensure that all participants have an opportunity to contribute their thoughts to the dialogue.
- **Chatham House Rule.** To encourage free discussion, workshop participants are welcome to share discussion points with other non-attendees, but comments are not to be attributed directly to particular speakers or entities (Chatham House Rule).
- **Other.** To keep the meeting as effective as possible, we ask that you honor the following meeting management aspects:

  o Keep cell phones off
  o Use scheduled breaks, as possible
  o Wait to be recognized before speaking
  o Avoid side-discussions

We look forward to a productive dialogue and thank you for your participation.