

Raising Our Ambition To WASH Resilience

UNLOCKING THE CO-BENEFITS OF
WATER, SANITATION AND HYGIENE
IN CORPORATE WATER STEWARDSHIP

INSIGHTS PAPER, DECEMBER 2021

WASH
4WORK

ABOUT WASH4Work

WASH4Work is a multi-stakeholder initiative launched in 2016 to mobilise business action on water, sanitation and hygiene (WASH) in workplace operations, in communities where companies operate, and across supply chains.

WASH4Work aims to:

- Demonstrate business leadership on WASH in the workplace
- Share knowledge, leading practice and advocate best-in-class standards
- Continuously evolve the business case for prioritising WASH in corporate water stewardship
- Connect members to scale up WASH impact
- Build consensus and support the implementation of resilient WASH actions

The United Nations Global Compact's CEO Water Mandate hosts the WASH4Work Secretariat.

Steering Group:

Chair: Kate Holme, WaterAid

Vice-Chair: Michael Alexander, Diageo

Jason Morrison, CEO Water Mandate

Lisa Hook, GAP Inc

Alexandra Knezovich, Toilet Board Coalition

Davide Nardi, UNICEF

Ida Aagenaes, Unilever

Ruth Loftus, WaterAid

Tom Williams, WBCSD

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Members of WASH4Work:



Message from the Chair & Vice-Chair

“ In the last two years we’ve seen an unprecedented increase in engagement on WASH by companies as the importance of WASH to business and climate resilience is better and more widely understood. Companies need to respond and adapt to the twin challenges of COVID-19 and climate change.

WASH4Work and its members have been leading on work to help companies understand what prioritising WASH means in practice and the multiple benefits for communities and business.

In this fast moving time, we’re delighted to be sharing our first Insight Paper—which provides you with a summary of the key pieces of learning and insights from the WASH4Work initiative and our partners over the past two years. We hope that you find this paper a useful tool as you plan your own WASH strategies and that it inspires increased commitment and action.”

KATE HOLME

Strategic Partnerships Director, WaterAid
Chair, WASH4Work

MICHAEL ALEXANDER

Global Head of Water, Environment
Agriculture Sustainability, Diageo
Vice-Chair, WASH4Work

Introduction

In the context of the exacerbated vulnerabilities exposed by the extreme events of climate change and COVID-19, there is elevated importance on building resilience. Water, sanitation and hygiene (WASH) has become a key priority in corporate water stewardship strategies to ensure broader water security and unlock multiple co-benefits for business and communities.

There is now a critical mass of experience and solutions for business action on water, sanitation and hygiene (WASH)—in operations, communities and across value chains—based on business leadership on WASH from WASH4Work members over the past 5 years. 20 global corporate leaders and over 300 WASH Pledge signatories are re-affirming commitments to business action on WASH, already reaching millions of employees, workers and communities, and supported by 14 WASH expert organisations via the WASH4Work initiative.

COVID-19 has brought to the forefront the key risks to business continuity from the lack of access to water, sanitation and hygiene (WASH). This in turn has spurred new momentum for business action on WASH for companies' own operations, but also for those left most vulnerable in supply chains and communities. For a long time corporate actions on WASH have been siloed, outside of companies' broader commitments to water security and stewardship but over the last 5 years leading companies have seen the benefits of taking an integrated approach. Companies are starting to recognise the direct and indirect business benefits from investing in WASH and COVID-19 has reinforced that understanding; accelerating the trend for business action on WASH.

ABOUT THIS PAPER:

This paper is a tool for all businesses large and small, whether just beginning a WASH action journey or seeking to align with fellow business leaders on WASH action priorities to achieve 2030 commitments. It summarizes existing learnings and literature from across the WASH4Work membership assessing the evolution of WASH actions of companies as a part of corporate water stewardship commitments; and a review of the current debate to raise the global ambition to resilient WASH actions that will withstand the shocks of climate change and health risks such as COVID-19.

This paper is organised in three sections:

- **Section 1:** The Business Case For Investing In Wash As A Corporate Water Stewardship Priority
- **Section 2:** Best Practice - How Companies Are Taking Action On Wash
- **Section 3:** Raising Our Ambition To Wash Resilience

The growing awareness of the climate change risks to providing and maintaining access WASH has opened up a new narrative for WASH resilience. The increasing frequency of extreme droughts and flooding are putting already fragile water and sanitation infrastructure at risk, especially for the most vulnerable. Taking a more systemic view of WASH (in light of climate and health risks) we find new value creation opportunities and multiple co-benefits for business and society—such as the opportunity for the replenishment of water and nutrients through circular water and sanitation approaches, improving water quantity and quality; the ability to generate renewable energy from ensuring WASH access; and new data about human health and behaviour to support public health decision-making.

Business has a key role to play, working in partnership with experts and communities, to leverage best in class expertise on water, sanitation and hygiene, new technologies and innovation, and full systems thinking. Ensuring WASH access is the first step in the journey. Resilient WASH systems is the goal.

HOW COMPANIES ARE TAKING ACTION ON WASH:

Businesses have:

- Established the business case for investment in WASH in the workplace and are measuring, monitoring and reporting on the benefits of WASH actions (Section 1)
- Established best practice for the implementation of WASH in business operations, supply chains and communities for businesses at each point of the WASH action journey (Section 2)
- Catalysed new innovations and new business models to enable sustainable WASH systems (Section 2)
- Contributed to the development of standards for WASH in corporate water stewardship and disclosure (Section 2)
- Taken steps to assess the impacts of climate change and health risks, such as COVID 19, on WASH resilience in the workplace (Section 3)

SECTION 1.

The Business Case for Investing in WASH as a Corporate Water Stewardship Priority

DEVELOPMENTS IN THE BUSINESS CASE FOR WASH

Companies recognise that the climate crisis and system vulnerabilities exposed by COVID-19 are making access to WASH even more important, for investment in business continuity and longer-term water security and resilience.

The report from WaterAid and Vivid Economics (2021), *Mission-critical: Invest in water, sanitation and hygiene for a healthy and green economic recovery*, provides an updated investment case for WASH services, reflecting major global challenges: climate change, COVID-19 response and recovery, and building resilience. A short extract from their report is included below.

The attainment of universal access to water, sanitation and hygiene (WASH) is fundamental to inclusive and sustainable development.

Inadequate access to WASH is responsible for as much as 10% of the global disease burden, contributing to 1.6 million preventable deaths each year, including 60% of all diarrhoeal deaths. A lack of basic WASH requires households to spend 1–2 hours per day on average collecting water, displacing time spent in employment or education. The incidence of these impacts on health and economic opportunity skews heavily towards women, meaning a lack of WASH is a critical barrier to female empowerment and gender equality.

In the wake of COVID-19 and with increasing risks from climate change, it is timely to revisit the case for investment in WASH.

The pandemic has exposed the devastating economic and societal consequences of infectious disease – the risks of which are expected to increase significantly as a result of climate change. The potential role of WASH in mitigating the risks of airborne infectious disease, and in promoting climate resilience, have become a business priority.

Updated analysis confirms the value of universal WASH, which could unlock trillions of dollars of value over the next two decades:

Basic services can provide up to 21 times more value than expenditure, and are a necessary step towards universal safely managed services;

“The pandemic has exposed the devastating economic and societal consequences of infectious disease – the risks of which are expected to increase significantly as a result of climate change. The potential role of WASH in mitigating the risks of airborne infectious disease, and in promoting climate resilience, have become a business priority.”

Upgrading basic services to safely managed WASH infrastructure is a long-term investment that will yield net benefits of US \$37–86 billion per year (Figure 1), avoiding up to 6 billion cases of diarrhoea and 12 billion cases of helminths between 2021 and 2040, with significant implications for child health and nutrition;

Every dollar spent on strategic flood resilience upgrades could avoid at least US \$62 in flood restoration costs. Flooding is the most prevalent climate change-related threat to global WASH infrastructure, with service disruptions expected for up to 13% of the population in the most vulnerable countries. Flood-resilience is a highly cost-effective investment for flood-prone areas, with costs significantly lower than those of disruption and repair.

Investment in WASH can be an effective means of achieving transformative economic growth in the wake of COVID-19.

Over the short term, with many economies facing high unemployment as a result of the pandemic, WASH investments can be an effective form of stimulus spending, rapidly deployed and targeted towards job creation. Over the longer term, WASH can support healthier, more educated, more productive and resilient workforces, crowding in further private investment and sustaining more rapid and equitable economic growth.

Promoting safe and equitable access to WASH is recognised as a key sustainable development objective, both to serve basic needs and to deliver economic benefits.

Economic benefits of WASH can be disaggregated into four categories:

- ▶ **Health** benefits include reductions in communicable and non-communicable disease incidence, and overall population wellbeing;
- ▶ **Environmental** benefits include reductions in environmental degradation and opportunities to improve resource efficiency;
- ▶ **Socioeconomic** benefits include increased economic, educational and leisure opportunities, particularly for marginalised and vulnerable groups; and,
- ▶ **Resilience** benefits include responsiveness, preparedness and recovery from health and climate-related emergencies.



Resource:

WaterAid and Vivid Economics (2021),
Mission-critical: Invest in water, sanitation
and hygiene for a healthy and green economic
recovery.

MEASURING BUSINESS BENEFITS

The WASH4WORK initiative has collated business guidance tools to measure the benefits of taking action on WASH, strengthening the business case for prioritising WASH in corporate water stewardship strategies.

The report, *Strengthening the business case for water, sanitation and hygiene: How to measure value for your business (2018)* published by WaterAid with Diageo, GAP and Unilever in association with PWC and ODI, provides guidance to help companies establish the business value of water, sanitation and hygiene interventions and calculate a financial return on investment. A summary extracted from this report is included below.

Motivations for WASH investments, whether in companies' own or suppliers' operations, or in communities have centred around basic human rights, but direct business value (e.g. improved productivity) and managing reputational risk are also key drivers.

WASH4Work members advocate for the inclusion of WASH within companies' water stewardship strategy and that WASH is included in all voluntary reporting and disclosure requirements.

Three Reasons Your Business Should Invest in Water, Sanitation and Hygiene (WASH):

- Positive impact on the business model and bottom line
- Wide ranging economic benefits
- Direct contribution to the achievement of the Sustainable Development Goals 2015-2030

Direct business benefits that relate to core business value

Typically easier to translate into financial value

Examples:

- Absence
- Productivity/efficiency
- Quality (such as reduced error rates)
- Staff turnover
- Operational costs
- Healthcare/clinic costs

Indirect business benefits that relate to wider purpose

Typically more challenging to translate into financial value

Examples:

- Employee loyalty and satisfaction
- Brand value
- Reputation
- Social licence to operate
- Labour relations
- Supplier loyalty
- Supply chain resilience
- Improved economic climate

How to measure and summarise financial value

A measure of financial value and efficiency of investment – ‘For every \$ spent, how many \$s are generated/ lost?’ It is a commonly used indicator since it is simple and can be applied to different situations. This essentially involves two steps:

1. Calculate the total costs and total benefits over your given period
2. Calculate the ratio of costs to benefits - Divide the total benefits over your given period by the total costs to get your ROI

Common indicators

Drawing on the existing literature and companies’ previous experiences, we have identified four key direct quantifiable benefits resulting from WASH or other similar programmes:

- Reduced employee absence
- Improved productivity
- Improved quality (e.g. reduced error rate)
- Reduced staff turnover

Once the analysis has been done, the next step is to communicate the results of the WASH intervention and also share these with WASH4Work.

Communication will be key to maximising the benefits of the programme by:

- Making the case for reinvestment in WASH within the business
- Engaging workers
- Catalysing action among other suppliers or companies
- Gaining from indirect business benefits, such as improved reputation

Resource:

WaterAid (2018), Strengthening the business case for water, sanitation and hygiene: How to measure value for your business - with Diageo, GAP and Unilever in association with PWC and ODI.

SECTION 2.

Best Practice:

How Companies are Taking Action on WASH

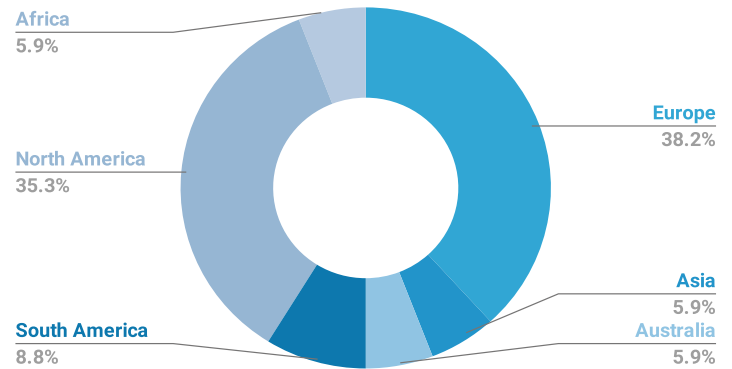
BEST PRACTICE

There is now a critical mass of experience and solutions for business action on water, sanitation and hygiene (WASH)—in operations, communities and across value chains.

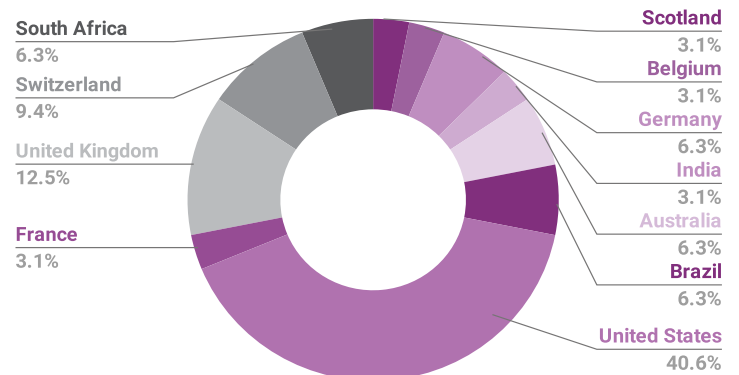
Evidenced by business leadership on WASH from WASH4Work members over the past five years, 20 global corporate leaders and over 300 WASH Pledge signatories are re-affirming their commitments to business action on WASH, and are already reaching millions of employees and workers across supply chains and communities.

The charts on this page represent the growth in the WASH4Work membership across geographies and industries (WASH4Work, 2021).

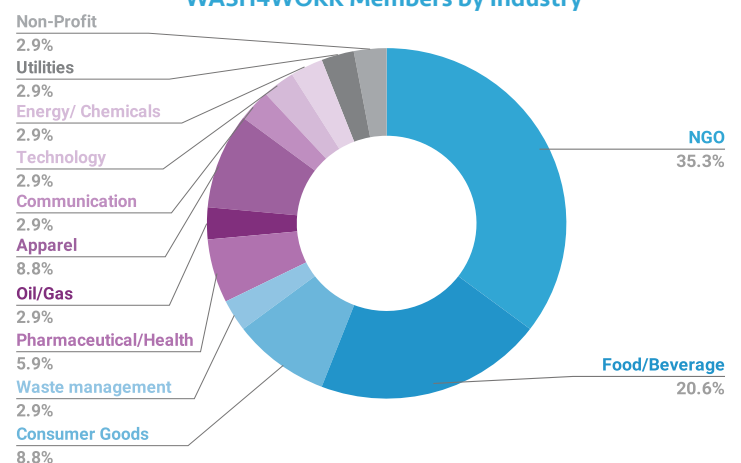
WASH4WORK Members by Continent



WASH4WORK Members by Country



WASH4WORK Members by Industry

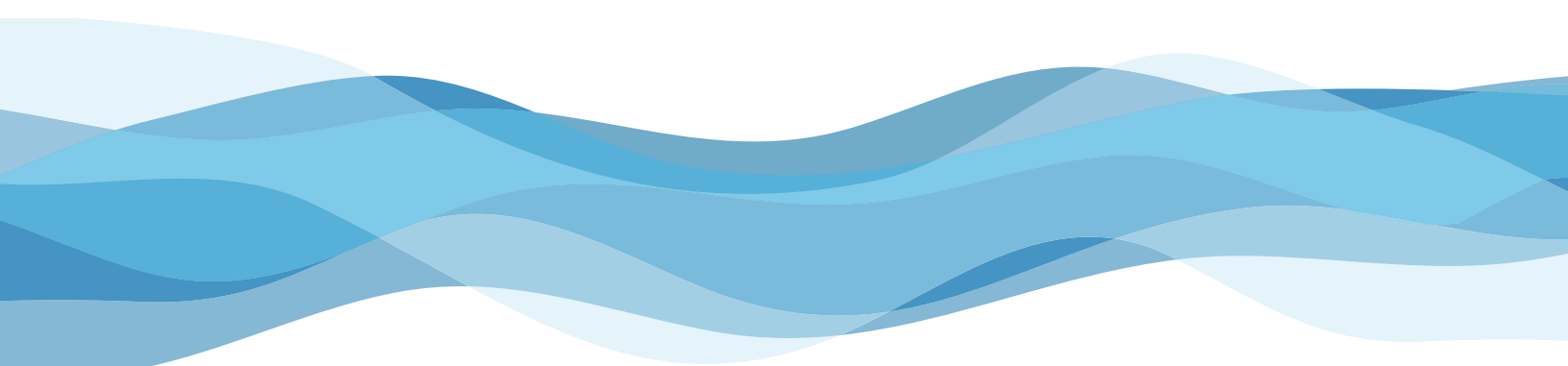


Companies leading on WASH:

- Have a policy on water that includes WASH - integration of WASH provisions into existing HSE or sustainability policy and reporting systems
- Provide access to WASH facilities – drinking water, sanitation and personal hygiene – in their own operations
- Are including a more comprehensive WASH approach, including feminine care facilities, personal hygiene promotion/training or hydration promotion/training.
- Are extending WASH best practice to supplier operations to meet best practice in WASH
- Are extending WASH best practice to communities where their workers live, or the wider communities they support
- Are proactively working to have WASH included in corporate sustainability goals, reporting and disclosure - including the impact of WASH investments on business performance and return on investment

How companies are institutionalising WASH into business responsibility:

- Develop an impact pathway
- Identify material impacts to measure and evaluate
- Establish a baseline of current WASH risks, responsibilities and opportunities
- Implement and monitor WASH interventions
- Analyse and measure WASH benefits
- Report, communicate and advocate on the WASH best practice imperative for business



THE WASH ENGAGEMENT JOURNEY IN CORPORATE WATER STEWARDSHIP

In 2021 WASH4Work, with inputs from members, has developed a WASH engagement journey pathway to highlight WASH actions businesses can take on the road to WASH Resilience.



Companies can start their WASH engagement journey by taking the WASH Pledge to include WASH in corporate water stewardship strategies and action plans. The WASH Pledge was established in 2013 by the World Business Council for Sustainable Development, and is now a core element of the WASH4Work initiative. In 2021, WBCSD re-emphasized the importance of WASH through their Vision 2050 refresh as one of the key areas for business action to ensure 9 billion people are living well within the planetary boundaries by 2050.

A summary of WASH Pledge implementation guidance, extracted from WBCSD resources, is included below.

WASH Pledge

Companies pledge to take action on water, sanitation and hygiene in their core operations within 3 years, and extend implementation strategies and action plans to supply chains and the communities in which they operate, including:

- ▶ **Water provision** - Availability of sufficient, safe, acceptable, and physically accessible drinking water - Drinking water that is sufficient (in terms of quantity), safe, acceptable (safe and acceptable are quality criteria) and physically accessible (water is available at all times for workers and employees do not have to walk more than 15 minutes to reach drinking water source) is provided free of charge to all employees
- ▶ **Sanitation** - Water sanitation services and safety/convenience improvements - Improvements to make sanitation safe and more convenient (e.g. at minimum provision of flush or pour-flush, septic tank, pit latrine, ventilated improved pit-latrine) have been undertaken within operations
- ▶ **Hygiene** - Hygiene training and awareness - Regular training and awareness building processes have been implemented for all employees (own operations), with special attention given to employees or other staff involved in food preparation

WASH Implementation

By signing the WASH Pledge, companies commit to implementing access to safe water, sanitation and hygiene at the workplace at an appropriate level of standard for all employees in all premises, under their control within three years of signature. Under the Pledge, companies also commit to taking action on WASH across their value chain, including among their suppliers, as well as in the communities that surround their workplaces and/or where their workers live. WASH Pledge implementation includes WASH risk assessment, creating an action plan and onboarding WASH expert partners for the execution of the action plans.

The WASH Pledge Self-Assessment Tool represents a method of assessing the current status of access to safe WASH at the workplace in a given facility of the company, in order to identify potential gaps or risks to Pledge compliance. This free, Excel-based tool can therefore be utilized to help identify areas for improvement, and to support decision-making regarding investments and priority actions. The tool is meant for use within an individual company's facility. It is structured across the following categories: General; Workplace Water Supply; Workplace Sanitation; and Workplace Hygiene.

The success of the WASH Pledge was recognized by more than 300 signatories signing the Pledge, covering three million employees in 170 countries. In 2021, WBCSD will transition the Pledge to WASH4Work to enable signatories to tap the benefits of support they could get from the WASH4Work partner network for implementation of the Pledge and since 2022 all existing WASH Pledge signatories will be directed to the WASH4Work secretariat for any ongoing support or guidance.

WHY SIGN THE WASH PLEDGE?

The Pledge allows business to:

- ▶ **Demonstrate leadership** in setting a higher standard for the health and safety of company employees, value chains and communities.
- ▶ **Generate impact** by contributing to the implementation of the SDGs.
- ▶ **Reap business benefits** by investing in a healthier and more productive workforce and strengthening their social license to operate.
- ▶ **Be connected** to peers and partners active in this space through the WASH4Work initiative.



HAND HYGIENE PROTOCOL FOR THE WORKPLACE

In the context of COVID-19, it has become clear that handwashing is a first line of defence for mitigating the potential impacts of COVID-19 in the workplace. Workplaces are often where large numbers of people congregate in close quarters therefore handwashing with soap plays a critical role in combination with other key behaviours (mask wearing, physical distancing) to prevent the spread of COVID-19.

Access to improved water, sanitation and handwashing facilities offers opportunity to use those facilities but these must go together with a robust behaviour change programme to ensure sustained use and for lasting change such as improved health. Hygiene behaviour is crucial but one of the most difficult things to change without robust programming.

An issue brief produced by WASH4Work (based upon ILO guidance) outlines the minimum hand hygiene elements that should be in place for the workplace and should be integrated into existing standards and certification. Access the issue brief at: https://wash4work.org/wp-content/uploads/sites/20/2020/11/WASH4WORK_Hand-Hygiene-Protocol-1.pdf



Companies can apply their business expertise and support innovations to enable best in class WASH provision, applying a full systems approach. The Sanitation Economy framing was pioneered in 2017 by the Toilet Board Coalition and is now globally recognised. Leading businesses are engaged in efforts to reimagine sanitation systems as a net contributor of resources and data while addressing critical human rights. The Toilet Board Coalition supports WASH innovators and new business models to enable the Sanitation Economy.

A summary of WASH innovation approaches and new business models of the Sanitation Economy, extracted from Toilet Board Coalition reports, is included below.

THE SANITATION ECONOMY

The sanitation economy is a market-based approach to the sanitation system that harnesses the valuable resources and information within and builds on innovative business models and strategic collaborations to provide sustainable sanitation products and services to everyone, everywhere. A thriving sanitation economy mitigates climate change, lowers health care costs, protects our habitat, and provides water, energy, and nutrients back to global systems in desperate need.

By accelerating the Sanitation Economy, we can create a robust marketplace of new business opportunities that have been virtually untapped. We can do this while improving lives of the 2.3 billion currently without toilets, and ensuring the capture, safe treatment and reuse of 3.8 trillion litres (500 Lpp/a x 7.6 billion global population 2017) of toilet resources which are currently lost and untreated. We can also leverage smart technologies to drive efficiency in sanitation systems, while capturing extensive amounts of data to inform business, policy, and health decision making.

The Sanitation Economy offers new ways of looking at sanitation systems: as a solution provider for sectors and governments facing constraints on essential resources such as water, nutrients, energy and proteins; as a reservoir of information about human health and behaviour; and as a test bed for innovation and new technologies that reinvent the toilet and its ecosystems.

The Sanitation Economy is a \$97 billion market in India today and is expected to grow to \$148 billion by 2030. In Kenya a \$3.2 billion market today, estimated to double to \$6.2 billion by 2030. In Nigeria a \$15.5 billion market today, estimated to grow to \$26.1 billion by 2030. (TBC, 2020).

New business models are already lowering the costs of sanitation from \$200 to \$6 per person. Toilet Resources from 1 million people up-cycled into feedstock for water, energy, nutrients, chemicals or health information will further shift the value proposition to a positive net value of +\$10 per person. Toilet Resources from 1 million people can produce 500,000 tonnes of new resources, data and insights.

“A thriving sanitation economy mitigates climate change, lowers health care costs, protects our habitat, and provides water, energy, and nutrients back to global systems in desperate need.”

The Sanitation Economy links three distinct areas for business and societal benefit.

THE TOILET ECONOMY: Toilet product and service innovation that provides toilets fit for purpose for all contexts and incomes. This spans centralised and decentralised, sewerred and non-sewerred, high water tables and low, low-income to high, rural, urban and peri-urban. Toilet designs apply the Circular Sanitation Economy principals to minimise waste and GHG, and capture data to feed the Smart Sanitation Economy.

Toilet Economy revenues include transforming toilet access into new consumer spaces of quality, affordable products and services bundled to compound revenue stream opportunities.

THE CIRCULAR SANITATION ECONOMY: Toilet Resources (the TBC's preferred term for human waste) that feed into a system which replaces traditional waste management with a Circular Economy approach. It connects the biocycle, using multiple forms of biological waste, recovering nutrients and water, creating value-adding products such as renewable energy, organic fertilisers, proteins, and more.

Circular Sanitation Economy revenues include converting sanitation waste into Toilet Resources that can be up-cycled into sales of water, energy, organic fertilisers, and potentially high value proteins and other organic chemicals - optimised for local markets and regulation. Several models are already approaching full cost recovery.

THE SMART SANITATION ECONOMY: Digitised sanitation systems that optimise data for operating efficiencies, maintenance, plus consumer use and health information insights. Sanitation is included in smart cities architecture monitoring public toilet usage, sewage treatment, health indicators, and detects needs for maintenance and repair throughout the system.

Smart Sanitation Economy revenues include the potential to optimise efficiencies with digitisation through operations monitoring, and monetise user data, consumer insights, and information about human health and behaviour.

Business Benefits:

1. Access to the growing emerging market customer base (2.3 billion people without access to basic sanitation. 61% of the population without improved sanitation including waste management).
2. Competitive advantage and innovation, creating smart, sustainable sanitation systems for the future.
3. Contribution to sustainability targets - addressing resource loss and efficiencies, climate change and zero waste policies.
4. Reducing costs and accessing new resources through the Circular Sanitation Economy - valuing sanitation waste as "Toilet Resources" and generating new revenue from valuable products derived from Toilet Resources such as energy and fuel, nutrients, proteins, water, information and more.
5. Access to new data and information for operational decision-making and potentially new market opportunities by leveraging the mobile, digital, big data and smart megatrends for sanitation.



Companies can work together in locations of common interest to scale up WASH provision and enable resilience. Collective actions on WASH can bring efficiencies and economies of scale to reach WASH goals faster. Via the WASH4Work initiative, companies can collectively advocate WASH best practice, standards, and encourage supportive policies and regulatory environments.

The Water Action Hub was established in 2012 by the United Nations Global Compact’s CEO Water Mandate, in partnership with the Pacific Institute to facilitate collective actions amongst businesses and stakeholders.

The Water Action Hub is an open-source global online water sustainability collaboration and knowledge sharing platform. It enables businesses and stakeholders to share where they are working on water challenges by geolocating their water projects (including WASH) on an interactive map. The Water Action Hub facilitates collaborative action by identifying where potential partners have interests in common locations. The Water Action Hub currently connects more than 1000 organizations and 1600 water projects worldwide. It is 100% free and open-source, available to all.

The Hub helps companies, NGOs, governments, academics, consultants, and other organizations advance water sustainability, WASH, and climate resilience efforts by:

1. Cataloguing and raising awareness of WASH projects around the world
2. Connecting potential partners to one another
3. Sharing insights and experience to scale best practices

Global WASH4Work members currently represented on the Water Action Hub interactive mapping tool.

<https://wateractionhub.org>





Measuring progress and continuously evolving best practice on WASH are important elements of the WASH journey and corporate water stewardship. Standardisation of WASH reporting and disclosure helps companies to align WASH actions and serves as a benchmark for expectations of best practice on WASH.

Tools for businesses include the Alliance for Water Stewardship (AWS) Water Stewardship Standard 2.0 and the Carbon Disclosure Project (CDP) water disclosure for investors, summarized below.

AWS International Water Stewardship Standard

AWS International Water Stewardship Standard (AWS Standard) is a globally applicable framework for major water users to understand their water use and impacts, and to work collaboratively and transparently for sustainable water management within a catchment context. The Standard is intended to drive social, environmental and economic benefits at the scale of a catchment.

It achieves this by engaging water-using sites in understanding and addressing shared catchment water challenges as well as site water risks and opportunities. It asks water-using sites to address these challenges in a way that progressively moves them to best practice in terms of five outcomes:



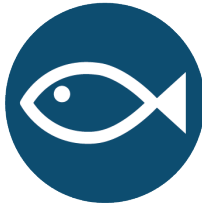
GOOD WATER GOVERNANCE



SUSTAINABLE WATER BALANCE



GOOD WATER QUALITY STATUS



IMPORTANT WATER-RELATED AREAS



SAFE WATER, SANITATION AND HYGIENE FOR ALL (WASH)

In pursuit of these outcomes, implementation of the Standard encourages collaborative approaches that involve business and industry, government and community as well as civil society organizations.

The AWS Standard Version 2.0 includes a new WASH-specific outcome: ‘Safe water, sanitation and hygiene for all (WASH)’. The WASH-focused outcome provides a framework to support business contributions to the WASH agenda, as well as broader water security ambitions. It helps to strengthen the water stewardship community’s commitment to WASH and advancement towards achieving SDG 6.

Carbon Disclosure Project (CDP)

Corporate disclosure enables the clear communication to key stakeholders of commitments, targets and progress across a wide range of sustainability issues.

CDP's water programme motivates companies to disclose and reduce their environmental impacts, and accelerate the use of this data by influential decision makers to better mitigate risk, capitalize on opportunities and make investment decisions that drive action towards a more sustainable world.

CDP has built the world's largest and most comprehensive database of primary corporate water data through its water questionnaire, which has been circulated annually since its creation in 2010.

WaterAid have analysed corporate responses submitted publicly to CDP's 2015, 2016 and 2017 water information requests. The analysis focuses on responses related to the provision of water, sanitation, and hygiene (WASH) to identify trends in business action on providing access to WASH, and to demonstrate the benefits for the private sector in doing so. A summary of findings from the WaterAid brief, *The business case for action on WASH: WaterAid analysis of CDP WASH data* is below.

The corporate water disclosures submitted to investors through CDP reveal a strengthening business case for companies investing in WASH. Analysis of CDP's data clearly shows that either a lack of management, or the mismanagement, of WASH issues can have detrimental socio-economic impacts for companies, whilst those addressing WASH issues can see significant business benefits.

- Organisations are potentially underestimating WASH risks in both their direct operations and supply chains, largely due to incomplete water risk assessments. This is potentially due to water management not being considered in a holistic manner through a water stewardship lens;
- WASH risks are materialising for businesses in both direct operations and supply chains, and the impact can be costly;
- WASH-related opportunities can be beneficial for businesses, and some can materially impact the bottom line;
- Corporate action can help delivery against Sustainable Development Goal 6, which in turn can support the sustainability and resilience of businesses;
- Corporate action on WASH can be scaled up by integrating WASH into corporate strategies, and adherence to voluntary third-party standards that integrate WASH

Resources:

WASH Pledge

<https://wash4work.org/wp-content/uploads/sites/20/2021/09/WASH-Pledge-impact-report.pdf>
<https://wash4work.org/tools-resources/the-wash-at-the-workplace-pledge-and-self-assessment-tool-2017-2/>

Hand Hygiene Protocol

https://wash4work.org/wp-content/uploads/sites/20/2020/11/WASH4WORK_Hand-Hygiene-Protocol-1.pdf
<https://wash4work.org/tools-resources/hand-hygiene-protocol-for-the-workplace-2020/>

Sanitation Economy

<https://www.toiletboard.org/scaling-the-sanitation-economy-2020-2025/>
<https://www.toiletboard.org/wp-content/uploads/2021/03/2020-Sanitation-Economy-Markets-India.pdf>
<https://www.toiletboard.org/wp-content/uploads/2021/03/2020-Sanitation-Economy-Markets-Nigeria-2020.pdf>
<https://www.toiletboard.org/wp-content/uploads/2021/03/2020-Sanitation-Economy-Markets-Kenya-2020.pdf>
<https://www.toiletboard.org/wp-content/uploads/2021/11/2021-Five-Building-Blocks-To-Scale-the-Sanitation-Economy.pdf>

Water Action Hub

<https://wateractionhub.org/>

AWS International Water Stewardship Standard

<https://a4ws.org/the-aws-standard-2-0/>

Carbon Disclosure Project (CDP)

<https://washmatters.wateraid.org/sites/g/files/jkxooof256/files/The%20business%20case%20for%20action%20on%20WASH.pdf>

CASE STUDIES:

Individual company actions on WASH are reaching millions and billions of employees & beneficiaries. Highlights from WASH4Work member companies in 2021:

DIAGEO

WASH has been an integral part of Diageo's water stewardship strategy since 2006 which has reached over 10million people in over 20 countries with WASH outcomes, driving improved well-being, productivity and education. Diageo's continued commitment to WASH to 2030 includes implementing WASH programmes in all water stressed markets, working with expert partners such as WaterAid, Red Cross, Amref and many local NGOs as an important part of the water replenishment programme. Diageo is a strong supporter of WASH4Work as it provides the platform for businesses to align on best practice, together with WASH experts; and to collectively advocate the business case for WASH to mobilise more business action on WASH as a priority in corporate water stewardship.

Gap Inc.

Gap Inc. has set the goal to empower two million people to improve their access to water and sanitation by 2023 in communities in India touched by the apparel industry. This collective action initiative works to catalyze women as water champions to build and improve long term sustainability of clean water supply and build out the eco-system for water & sanitation financing solutions. WASH4Work has an opportunity to amplify the women's individual experiences, success stories and networks to demonstrate the power of collective action in communities along the value chain.



The Coca-Cola Company's WASH programs have reached more than 13.5 million people globally, including over six million in Africa. By working with partners, communities and suppliers, we have replenished 170% of the water used in beverages and production. The opportunity of WASH4Work is to build on each other's experiences and better define the co-benefits of prioritizing WASH and climate resilience, which includes women's health, local economies, public health, sustainability and community resilience.



Unilever's Hygiene and Behaviour Change Coalition has reached over 1.2 billion people, via 78 projects in 37 countries, in just one year through partnerships and leveraging the collective expertise of each partner organisation.



Asia Pulp & Paper (APP)'s WASH programme has reached more than 100,000 beneficiaries in Indonesia, improving community WASH access, waste management, hand-washing and supporting community businesses with training and education on WASH. Collaboration amongst stakeholders and governments has been key to building ownership of WASH facilities and infrastructure contributions amongst beneficiaries.



Sasol has contributed to WASH in host Communities in South Africa with significant water stewardship expertise, financing, and support for entrepreneurs, education and training. WASH directly impacts water quality and quantity in basins, there is a tremendous opportunity for innovation to bring solutions for WASH, build new businesses and create more jobs in the WASH sector.

SECTION 3.

Raising Our Ambition To WASH Resilience

The next agenda for corporate water stewardship includes climate resilient WASH. Choices of WASH infra-structure matter to ensure they will stand up to broader climate change and health risks.

In 2021 WASH4WORK has started a dialogue amongst the membership to raise the ambition and build consensus on how we define climate resilient WASH and what steps companies can take to implement it as part of their corporate water stewardship strategies. A paper from the Pacific Institute and Water.org (2021), *Increasing resiliency in the face of climate change*, provides guidance on how water supply and sanitation (WSS) systems and financing can adapt to meet the challenge. An extract from this paper is below.

As human-caused climate change accelerates, it is destabilizing all aspects of water supply and sanitation (WASH), including the goal of universal access. Climate change raises grave considerations for WASH systems, and most urgently for the needs of people living in poverty. We know that WASH solutions must be part of climate action or they become part of the problem. In a comprehensive white paper, Water.org and the Pacific Institute identified innovative financing and approaches that can make WASH systems more resilient to climate change, lower in emissions, and more accessible to everyone.

Climate change and water and sanitation have an interwoven connection, with each affecting the other. Water resources are affected by shifting precipitation patterns that generate both floods and droughts, and by rising seas that threaten to spill into freshwater sources. Reversely, WASH systems are impacting the climate by generating needless greenhouse gas emissions through inefficiencies and the use of fossil fuel sources. These effects impact how we must think about the design of WASH systems. It is no longer appropriate to design systems for historical conditions without considering future impacts of climate change.

Transforming WASH systems to mitigate climate change

Investments in water and sanitation at the household, community, or utility level can transform lives and improve the environment. Smart project choices enhance the management and efficiency of utilities, reduce water losses, and spur the transition to renewable energy options. In fact, water systems even have the potential to go beyond carbon neutrality: if the energy flushed away in domestic wastewater can be harnessed through biogas recovery rather than released into the atmosphere, treatment facilities can become a power source.

Innovative financing is well positioned to meet these risks by:

- ▶ Upgrading WASH systems to withstand local changes and extreme events
- ▶ Raising energy efficiencies and reducing emissions in the water sector
- ▶ Bringing affordable financing to people living in poverty so they can invest in their own climate-smart solutions

DEFINING WATER RESILIENCE

The Pacific Institute defines “water resilience” as the ability of water systems to function so that nature and people, including those on the frontlines and disproportionately impacted, thrive under shocks, stresses and change.

Pacific Institute (2021), Water Resilience: Definitions, Characteristics, Relationships to Existing Concepts, and Call to Action for Building a Water Resilient Future

ACTIONS TO REDUCE THE CLIMATE VULNERABILITIES AND CARBON EMISSIONS OF WSS INVESTMENTS:

Protected wells	<ul style="list-style-type: none"> • Protect groundwater and reduce contamination sources • Shift to deeper, more protected aquifers • Use energy-resilient pumps to continue operating during extreme events
Protected springs	<ul style="list-style-type: none"> • Expand short-term storage • Enhance land-use protection for water quality
Rain harvesting	<ul style="list-style-type: none"> • Expand local storage • Diversify source availability
Toilets	<ul style="list-style-type: none"> • Build ventilated improved pit latrines or septic tanks to be flood resilient • Design composting toilets for effectiveness in a greater temperature range
Water supply utilities	<ul style="list-style-type: none"> • Repair leaks • Expand options for filtering and treating different contaminants • Protect storage from contamination and extreme flooding
Sanitation utilities	<ul style="list-style-type: none"> • Safely manage wastewater to avoid contamination • Capture biogas to meet energy needs • Reuse water
Environmental investments	<ul style="list-style-type: none"> • Protect watersheds for water recharge • Emphasize water conservation and reduce water loss

Pacific Institute and Water.org (2021), Increasing resiliency in the face of climate change

THE WATER RESILIENCE COALITION AND WASH4WORK

The Water Resilience Coalition (WRC), founded in 2020, is an industry-driven, CEO-led coalition of the United Nations Global Compact's CEO Water Mandate that aims to elevate global water stress to the top of the corporate agenda and preserve the world's freshwater resources through collective action in water-stressed basins and ambitious, quantifiable commitments. Via the Water Resilience Coalition, global companies have pledged to achieve net positive water impact in operations and value chains by 2050. As the world grapples with the mounting and substantial global risks, including impacts of climate change, one of the most visible consequences is stress on our shared freshwater resources.

The WRC has set a 2030 ambition to achieve positive water impact in 100 basins supporting three billion people including climate resilient WASH for people living in basins.

In 2021 WASH4Work and the Water Resilience Coalition announced a partnership to:

- Leverage WASH4Work expertise to help define and build consensus on Resilient WASH
- Elevate WASH expertise to broader group of senior business leaders
- Bring WASH expertise to, and directly engage in, Collective Actions to build water resilience at scale in stressed regions.

A discussion was launched amongst WASH4Work members in 2021 to understand how sector leaders are defining and taking action to evolve WASH Resilience. Highlights from the perspectives shared:

What is Resilient WASH - How is it being defined?

- Understanding of how climate risks (such as drought, flooding, sea level rise, uncertain weather, and disease) affect the provision of WASH services and the most vulnerable
- Identifying how ensuring WASH access can contribute to climate change solutions
- Technical solutions to mitigate the risk, and to adapt
- Groundwater resource assessment
- Water/energy efficient WASH services; Renewable energy
- Professional service delivery
- Linking climate resilience to community livelihoods and resilience
- Leveraging climate co/financing
- Integrating climate resilience into WASH systems design from the start

Resources:

Pacific Institute and Water.org (2021), Increasing resiliency in the face of climate change

Pacific Institute (2021), Water Resilience: Definitions, Characteristics, Relationships to Existing Concepts, and Call to Action for Building a Water Resilient Future

<https://wash4work.org/tools-resources/programme-guidance-for-climate-resilient-wash/>

<https://www.unicef.org/media/109006/file/UNICEF-guidance-note-climate-shift.pdf>

<https://www.gwp.org/en/WashClimateResilience/>

https://www.gwp.org/globalassets/global/about-gwp/publications/unicef-gwp/learning-modules/session_3_identify_and_appraise_options.pdf

WASH RESILIENT ACTIONS OF WASH4WORK MEMBERS:

Highlights of perspectives from WASH4Work members on Resilient WASH shared in 2021:



UNICEF is transitioning all of its WASH programming to integrate climate resilience, including water resource assessments and monitoring; designing and constructing climate resilient WASH systems in communities, schools and healthcare facilities; solar-powered water systems in humanitarian and development contexts; and water reuse.



WaterAid is working to raise awareness of the links between climate change and WASH, and would like to see climate change mainstreamed in to WASH programming. WaterAid has developed programme guidance to this end, and has also published research on the economic case for climate resilient WASH.



Braskem has implemented the largest sewage to water reuse programme in Sao Paulo and is now scaling up this model across Brazil, collaborating with fellow industry and multi-stakeholder partners. It has enabled 14 industrial plants (including outside their own operations) to be supplied 100% by up cycled water - increasing water quantity and availability, and reducing stress on freshwater resources.



Xylem has embedded WASH Pledge commitments in its 2025 sustainability strategy. This is reflected in many of our signature goals - including commitments to ensure 100% WASH access for employees; the goals to provide WASH to 20million people at the base of the pyramid, and provide 15million people with water education to improve quality of life; the requirement for suppliers to make WASH pledge commitments. More than 300 Xylem suppliers have made WASH Pledge commitments since January 2020.



Toilet Board Coalition (TBC) has been supporting innovations and entrepreneurs developing solutions to leverage digital technologies to improve sanitation systems and sanitation provision. In 2021 TBC has launched a Smart Sanitation & Public Health Roundtable with industry and multi-stakeholder partners to further the develop the opportunities to enable sanitation systems to identify and monitor disease circulation to assist public health efforts.

CALL TO ACTION

JOIN THE WASH4WORK INITIATIVE TO CONTRIBUTE TO DRIVING CUMULATIVE BUSINESS IMPACT FROM WASH ACTIONS & THE RAISING OF OUR AMBITION TO WASH RESILIENCE

Focus Areas of the WASH4Work Initiative's 2022-2025 Strategy:

- Demonstrate business leadership on WASH in the workplace and share best practice;
- Continue to evolve the business case for WASH and promote WASH standards;
- Deepen collaborations and leverage business expertise of members to scale up WASH solutions;
- Develop consensus and build awareness on the co-benefits WASH for water and climate resilience as part of a systems level approach to WASH and sustainability;
- Report on collective private sector contributions to global sustainable development goal 6 - achieving universal access to safety managed sanitation.

WASH 4WORK

More information about the WASH4Work initiative is available at www.wash4work.org.
Contact the WASH4Work Secretariat directly at secretariat@wash4work.org.