

Engaging the Private Sector in Water Security

Moving from economic growth to sustainable development is the imperative of our time. This shift will not happen in a water-insecure world. In *Securing Water, Sustaining Growth*, the Organisation for Economic Co-operation and Development and the Global Water Partnership estimate that water risks cost more than US\$500 billion a year, while the World Economic Forum *Global Risks Report* lists ‘water crisis’ as one of the top five global risks since 2012.

At the heart of the water crisis is the way water is managed and governed. Enabling prosperous, sustainable, inclusive development requires shared, concrete solutions, and mechanisms to manage competing uses and increasing pressure on the resource. The private sector is an essential partner in sustainable water management and governance, i.e. the foundation on which Sustainable Development Goal (SDG) 6 as a whole (“*ensure availability and sustainable management of water and sanitation for all*”) and the broader water-related goals can be met: for food, health, energy, jobs, poverty eradication, climate recovery, education, ecosystems, etc.

Strengthening partnerships is integral to the GWP Theory of Change: diverse, multistakeholder partnerships are necessary to generate knowledge, catalyse action and political will, and mobilise financing to improve the way water is managed at watershed, national, and regional levels. GWP seeks to be a close, solutions-oriented partner in private-sector endeavours to achieve a water secure world.



Where corporate water stewardship (CWS) meets integrated water resources management (IWRM)

CWS and IWRM are both grounded in mitigating water risk to achieve water security. Multistakeholder engagement and collaboration are central to both CWS and IWRM.

CWS is an approach whereby companies identify and manage water-related business risks, understand and mitigate their adverse impacts on ecosystems and communities, and contribute to and help enable more sustainable management of shared freshwater resources.

IWRM is an overarching process involving all stakeholders, including the private sector, that promotes the coordinated development and management of water, land, and related resources to maximise economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems.

CWS activities – whether as part of companies’ normal operations (such as improving water efficiency) or external activities (such as contributing to a watershed conservation project) – are critical contributions to IWRM, as well as to multistakeholder engagement and collaboration.

Integrating water stewardship and water management

GWP is a multistakeholder platform – a neutral, safe space for engagement. This ‘neutral’ status has been a hallmark of successes achieved through GWP over the last twenty years. As a multistakeholder platform GWP is able to effectively champion integration of corporate water stewardship (CWS) with integrated water resources management (IWRM) strategies.

Integrating CWS with IWRM is timely and appropriate for three main reasons:

- SDG 6.5 calls for IWRM at all levels by 2030. While many governments have made solid progress in IWRM to advance water security, this has largely been achieved without routine, structured private-sector participation
- CWS has seen significant growth but many initiatives lack the scale and scope to fully mitigate business risks at watershed level
- Given that IWRM and CWS are both grounded in mitigating risks associated with water, it is appropriate to explore how this commonality can encourage effective collaboration.



Photo: GWP

Engaging the private sector

GWP's approach to engaging the private sector seeks to link CWS efforts to IWRM planning and implementation frameworks and strategies.

Adding value

GWP recognises that there are many well-established business platforms that deal with corporate stewardship issues and, therefore, does not seek to create a new platform. Rather, it aspires to add value to existing platforms by offering concrete solutions, facilitating CWS action at watershed or national level. To this end, GWP seeks to participate in existing CWS platforms and to directly engage the private sector. Aligning CWS and IWRM objectives in areas of mutual interest will advance the aims of all partners.

Collaborating

Leveraging its multistakeholder platforms, which are working towards water security for all in over 60 countries, GWP is able to add value to the private sector through:

- Facilitating private sector's participation in multistakeholder platforms that involve government agencies and ministries, civil society, local NGOs, community groups, and research institutions, as well as other key watershed-related stakeholders
- Connecting businesses to multiple stakeholders at reduced transaction costs given GWP's wide constituency, and assessing policy in context
- Making available data and knowledge that GWP has or can access
- Supporting private-sector engagement with the *blended investment* agenda for bankable water security projects in the 'Global South'
- Enhancing the *shared value* of companies' water-related sustainability investments and initiatives.

Furthering the water security agenda

The 2030 Agenda calls explicitly for a rekindling of the global partnership (SDG 17 Partnerships for the Goals) and provides the impetus to move from a fragmented to an integrated, multistakeholder approach to development. Participation of the private sector is vital in this multistakeholder approach. Scaling and speeding up sustainable business-to-business solutions to reduce risk along the water value chain are critically needed.

By engaging with the private sector, GWP will help raise awareness of the roles and responsibilities of businesses in water management and governance and of the solutions they have developed. The private sector – from small and medium enterprises to large businesses – offers:

- Unique perspectives on water resources brought by businesses who are committed to sustainable growth and employment in the watershed

- An important collective voice in support of better water governance
- Innovative water technologies and processes, as well as associated supply chain developments
- Connections and influence with upstream suppliers and downstream customers, who can also engage with GWP and multistakeholder platforms
- Potential, additional sources of investment, especially relating to emerging mechanisms such as blended finance as well as patient capital, and insurance/reinsurance.

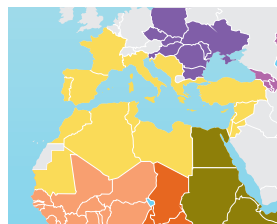
Amplifying private-sector voice and constituencies

GWP's neutral, global action network is an amplifier whereby the private sector can make its voice heard on water governance and can engage comprehensively with public and civil society constituencies:

- GWP can help businesses to define and mitigate business risks associated with water and can help them to maintain and grow (where feasible) their business through attaining and maintaining the physical, regulatory, and social license to water
- GWP can provide a platform for businesses to disclose their water use and to share challenges and concerns in a transparent, collective context – 'collective transparency'
- GWP can help businesses understand the overall context of water supplies and challenges, thereby helping them identify actions to implement solutions (i.e. context-based goals) that will meet the needs of multistakeholder platforms and will directly contribute to water security
- Understanding and being part of multistakeholder processes will help businesses determine 'sufficiency', likelihood and timeframes for solutions:
 - Sufficiency – to achieve water security in any given place and at any given time requires many actions by many stakeholders. Engaging with GWP can help businesses take relevant, context-based action and, over time, can help them and multistakeholder platforms reach consensus on the 'give and take' required to address shared challenges
 - Timeframe – in most situations, no amount of action by a company, even collectively with other companies, will solve underlying difficulties in achieving water security. However, businesses that are active in multistakeholder platforms have a much clearer line of sight to solutions and the progress that is being made or not made. Clear lines of sight can be of significant value to businesses, allowing them to plan for future growth, or for possible hindrances to growth, and to benefit from early warning of regulatory changes that could affect their operations.

Private-sector engagement in action

Mediterranean

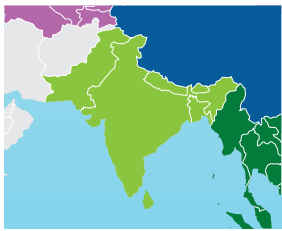


The Non-Conventional Water Resources (NCWR) Programme: an award-winning initiative with Coca-Cola

NCWR is a multistakeholder programme promoting partnerships among public and private actors to achieve water security. With the financial support of the Coca-Cola Foundation and the Coca-Cola System, GWP-Med together with national and local authorities in Greece, Cyprus, Malta and Italy, installed over 100 systems for using non-conventional water resources. Rainwater harvesting, greywater re-use, and storm water management, as well as improving water efficiency are some of the methods applied, demonstrating solutions to alleviate water crises. Innovative NCWR technologies and methods are cost-effective solutions for enhancing water availability and contributing to climate change adaptation at local level. Through a holistic approach, the Programme also includes educational and awareness raising activities, creating a new culture of mindful water users, while capacity building and training activities open up the potential for green and blue jobs.



South Asia



Private sector harnesses the power of multistakeholder partnerships to advance concrete solutions to water challenges through water governance, policy dialogue, and action

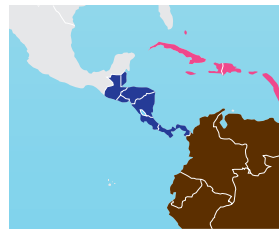
In Bangladesh, GWP, in close collaboration with the 2030 Water Resources Group, used its convening power and expertise to raise awareness of governance issues in the water sector through public–private sector and civil society dialogue on policy, institutional reform, and economic incentives for sustainable water management.

In India, the 2030 Water Resources Group and the India Water Partnership joined forces to create a multistakeholder platform – involving the private sector, the Government of Uttar Pradesh, farmers, NGOs, and community-based organisations – to rejuvenate the Hindon River and its tributaries. The multistakeholder platform is raising awareness and strengthening linkages between key stakeholders of the Hindon River (local government, irrigation departments, divisional commissioners, district administrations, industries, research institutions, farmers, and civil society). The platform is also leading the development of a roadmap for action, participatory mechanisms, and capacity building workshops to save the Hindon River and more sustainably manage the multiple uses of the resource.



Photo: GWP

Central America



Rural women community leaders take on water scarcity through rainwater harvesting with Mexichem

In Southern Honduras, the GWP Central America collaboration with Mexichem and CARE-PROSADE (Promoting Food Security in Choluteca and Rio Negro Watersheds) started with the installation of a rainwater harvesting system in a rural school. A series of workshops built the capacity of women community leaders from the region to replicate the system and enhanced their knowledge of integrated water resources management, climate change, watershed management, gender, and leadership.

GWP monitored the collaborative project, and documented and disseminated the results throughout Central America and the Caribbean as an example of a viable solution to tackle water scarcity. GWP Central America and Mexichem furthered the collaboration with GWP Caribbean through a regional workshop on South–South cooperation in rainwater harvesting, held in San Salvador, El Salvador. More workshops followed for peri-urban community leaders on the installation, operation, and maintenance of rainwater harvest systems, which were funded by the Inter-American Development Bank (IDB). The workshop also included issues related to IWRM and climate change.



Photo: GWP

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