



# Using the nexus to accelerate [water] resource stewardship

## Synthesis Paper #2

# Introduction

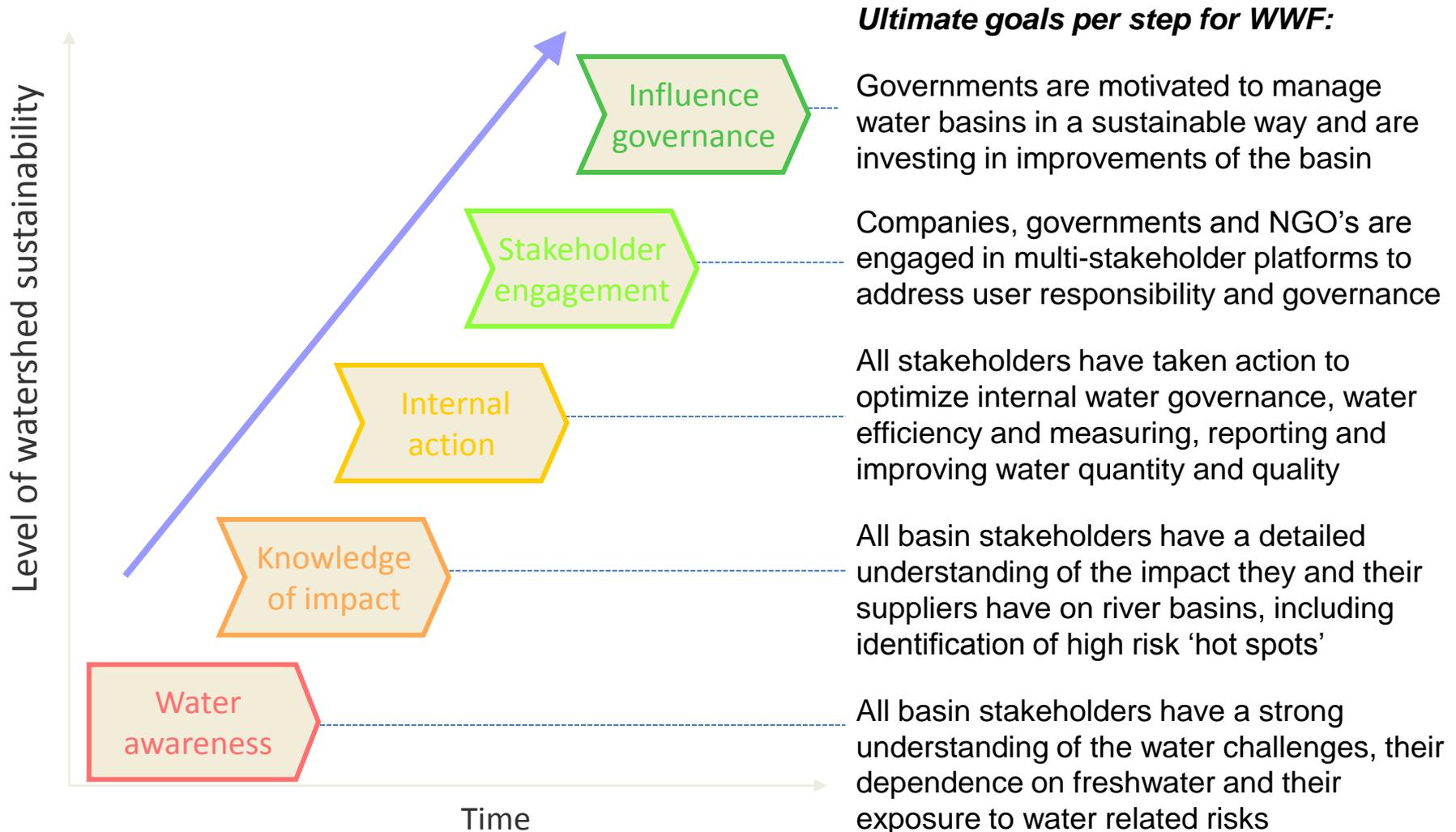
- For businesses, the idea of engaging in **water stewardship** requires a conceptual shift - to see themselves not simply as users of water as a natural resource but, along with other water users, collectively responsible for its wise management, appreciating the wide range of ecosystem services that it provides for them and others
- In a more business-minded sense, water stewardship can be considered as a response to the growing legal, financial and political duty of care obligations faced by water users to ensure the sustainable use and equitable management of water both within and beyond the 'fence line' of their operations

# Relevance for the W-E-F Nexus

- Water Stewardship is the use of freshwater that is socially and economically beneficial as well as environmentally sustainable. Environmentally sustainable water use maintains or improves biodiversity and ecological processes at the watershed level. Socially beneficial water use recognizes basic human needs and ensures long-term benefits (including economic benefits) for local people and society at large’.
- Today, ‘water supply’ is in for the third year running as one of the three greatest risks to the global economy (WEF, 2013).
- The 2013 Carbon Disclosure Project Global water Report found that 82 per cent of energy companies and 73 per cent of power utility companies identified water as a substantive risk to their business operations. 59 per cent of energy companies and 67 per cent of power utility companies experienced water related business impacts – loss of production, in the last five years.



# WWF's Water Stewardship strategy



# Examples of relevance

- The debate of trade-offs and reconciliation is very real. The same might not be said for energy systems, where their position within national economic priority setting has set it apart from water considerations.
- Water risk for companies is derived from the cumulative use of water in a river basin by all water users. While businesses might be highly water efficient or even use a relatively small amount of water, if they are operating in a water-stressed catchment where the rules and allocations are nonexistent, or where water is apportioned poorly to people or ecosystems, they remain exposed to some level of risk.
- For example.....

# Scale & Replication

- For example, the Coca-Cola Company has invested almost US\$2 billion on water initiatives in the past decade (Koch, 2012), compared to UK Department for International Development's estimated investment of US\$3 billion over the same period
- If IWRM is considered as actions by an authority mandated by the State (within which ownership of the resource is vested by law) to manage water resources on behalf of all water users, then water stewardship can be considered as actions by water users themselves to contribute to the management of the shared resource towards public-good outcomes.
- IWRM has for as long time focused on the public water world - guiding the public sector what it should be doing. The nexus bridges that public, private, civil society divide and leverages innovation into the discussion through corporate engagement, and the relationship of corporates to the other sectors. Energy supply is, after all – predominantly managed and supplied by private entities.

# Recommendations

- Private sector are part of the solution – and part of the problem – and civil society faces many of the same challenges
- Regulation is only going to get you so far – ‘platforms’ and roundtables allow for dialogue, but do they promote ‘action’?
- Is the nexus therefore, simply – who gets what allocation? Set targets for efficiency – and regulate?
- Should business have a stronger role in the management of water for their own needs?
- Trade Off.....To Opportunity? Geography/Scale – and – Governance – defines the complexity – but can remain flexible?
- Partnership – collaborate for better mutually beneficial and mutually reinforcing results



## CONTACTS

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