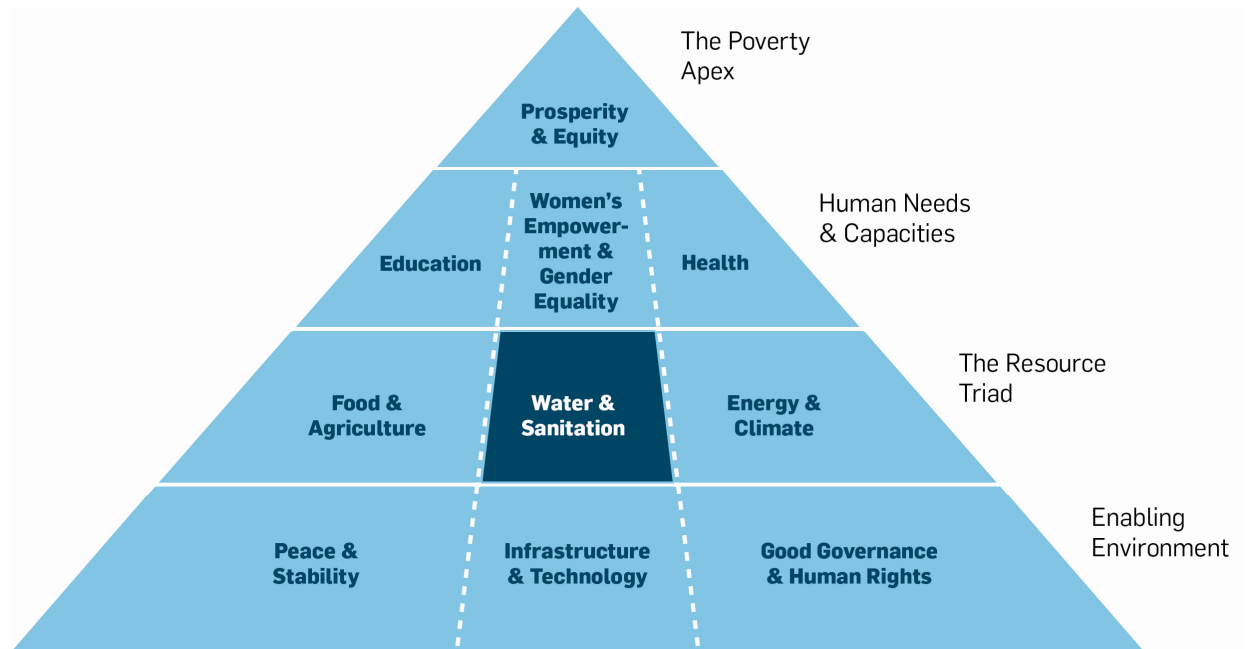


Post-2015 Agenda and Related Sustainable Development Goals Issue Focus: Water & Sanitation and the Role of Business

Overview

As governments and policymakers work to develop the Post-2015 agenda, the international community is actively discussing the possible scope of potential sustainable development goals (SDGs). Among the various topical issues being discussed, water and sanitation are areas receiving increasing attention given their critical cross-cutting nature in relation to sustainable development priorities – including energy, food, and women’s and girls’ empowerment. The UN Global Compact has been asked to bring private sector perspectives and action to the Post-2015 global development agenda, creating an historic opportunity to scale up and align business efforts in order to effectively contribute to United Nations priorities. The overlap between public and private interest in sustainable development is becoming increasingly clear, and the development of the Post-2015 agenda will require an unprecedented level of interplay between business, governments, civil societies and other key stakeholders. This public-private convergence and opportunity space is reflected in the Post-2015 Business Engagement Architecture, released at the UN Global Compact Leaders Summit in September 2013. The Architecture provides a resource and roadmap for how to work with the private sector in the new era.

Related to the Architecture, consultations conducted by the UN Global Compact with thousands of companies and stakeholders revealed that businesses committed to sustainability and ethics are energized by the prospect of a newly articulated set of world priorities—including clear goals and targets. From the input received, the UN Global Compact’s LEAD companies developed a series of recommended goals and priority areas (shown below) that they believe would also empower the private sector to make a substantial contribution in the Post-2015 era.



Source: Global Compact LEAD consultations

LEAD companies as well as endorsers and stakeholders of the UN Global Compact’s CEO Water Mandate strongly support the inclusion of water and sanitation issues in the Post-2015 agenda. Further, they have

proposed water and sanitation as a stand-alone goal and an integral element within the proposed ten goals. This goal and related targets are articulated as follows:

“Goal 6: Water and Sanitation for all, targets include:

- Universal access to affordable and safe fresh water.
- Universal access to basic sanitation facilities by 2020 and improved sanitation facilities by 2030.
- Fresh water use brought in line with supply.
- Ensure establishment and full implementation of national water effluent standards.”

The purpose of this issue paper is to inform governments and policy makers of the responsible business community’s willingness to contribute to the formation of any water and sanitation goals as well as future implementation efforts involving the private sector.

Business Platforms for Action and Partnership

Recognizing the risks that water and sanitation problems pose to societies and economies around the world, growing numbers of companies are adopting new policies and practices to reduce their corporate water use, improve the quality of water returned to the environment, and provide decent water, sanitation, and hygiene (WASH) services for employees and the communities in which they operate.

Indeed, more and more companies are embracing “corporate water stewardship” practices that expand traditional notions of water management to include their water-related impacts within communities and the river basins and ecosystems in which they operate. Corporate water stewardship also includes the notion of contributing to improved public water governance via responsible business engagement in water policy and collective action. In short, enlightened business leaders recognize that healthy societies and healthy markets go hand-in-hand, and, further, that achieving water and sanitation security will require the collaboration of the public sector, civil society, and the business community.

A number of business-oriented initiatives have emerged in recent years to address the role of the private sector in relation to global water and sanitation challenges. These include efforts from the UN Global Compact’s CEO Water Mandate, World Business Council for Sustainable Development, World Economic Forum, Global Reporting Initiative, CDP-Water, Aquafed, WWF, World Resources Institute, WaterAid, the Alliance for Water Stewardship, and others.

In some cases, initiatives are moving rapidly towards highly localized solutions. The CEO Water Mandate’s Water Action Hub, for example, is an online platform designed to assist stakeholders to efficiently identify potential collaborators and engage with them in collective action to improve water management in regions of critical strategic interest. As a result of the Water Action Hub, over 200 organizations are currently involved in projects in nearly 300 locations throughout the world. (See: www.wateractionhub.org)

Key Driver: Public Policy and Enabling Incentives

In order to unlock the full potential of the private sector it will be critical to establish proper and effective enabling frameworks and incentives in terms of public policy. Leading up to the 2012 UN Conference on Sustainable Development (“Rio+20”), signatory companies to the CEO Water Mandate released a communiqué to government leaders gathering to discuss the future of global sustainable development. In this document, companies committed to working more with governments to address the global water crisis and urged them to make water and sanitation a key priority moving forward

through a series of recommendations. Specifically, CEO Water Mandate endorsing companies are recommending that governments commit to a number of actions, including:

- Develop longer term water planning, with policies and incentives to improve water productivity and efficiency in all sectors, especially agriculture.
- Increase investment in infrastructure and develop policies to accelerate progress in improving access to, and ensuring efficient and reliable delivery of, water and sanitation services.
- Establish fair and appropriate valuation of water for agriculture, industry, and people – while at the same time ensuring access to water and sanitation in accordance with the UN human right to safe water and sanitation.
- Integrate water policies with other key sustainability issues, including energy, climate change, and agriculture.

Accountability

In recent years, increasing numbers of companies are reinforcing sustainability efforts with public commitments in relation to accountability, responsibility, and transparency. To build trust and be considered a credible partner in the Post-2015 era, companies should be – and increasingly are – transparent about their social and environmental impacts, and need to be accountable for how their business activities create or deplete value for society and what they are doing to improve their performance.

Participants of the UN Global Compact have made public commitments to the Global Compact’s ten principles and are required to report annually on their sustainability efforts through a Communication on Progress (COP) report. Businesses engaging with the UN Global Compact’s Issue Platforms, such as the CEO Water Mandate, are also asked to additionally report on their efforts surrounding those particular issues. Initiatives such as CDP-Water and GRI also encourage comprehensive corporate reporting on water.

Generally speaking, the UN Global Compact organizes its companies into three categories based on the level of COPs submitted. These levels – Learner, Active and Advanced – allow the UN Global Compact to encourage and challenge participants to use more sophisticated methodology and release more detailed COPs. Companies are increasingly rising to the challenge to report in a more advanced, detailed and transparent manner. This sort of accountability is crucial in instilling confidence in all stakeholders that companies are truly making meaningful progress towards global sustainability.

At the same time, companies are being encouraged to publicly commit to longer-range sustainability objectives and goals in order to better align their efforts and strategies in relation to the broad global sustainable development agenda.

#

January 2014