



CONTACT: Jason Morrison, Pacific Institute, Oakland, CA, USA – jmorrison@pacinst.org
Mobile: 415.342.8276

Gavin Power, UN Global Compact, New York, NY, USA – powerg@un.org
Office: 212.963.4681 – Mobile: 917.679.8144

Global Release of First-Ever Guide on Responsible Business and Water Policy

November 15, 2010: With water issues among the world’s most critical sustainability challenges, businesses are facing increasing water-related risk to their operations. The just-released [*Guide to Responsible Business Engagement with Water Policy*](#) from the UN Global Compact CEO Water Mandate provides strategies for companies to turn risk into opportunity by advocating for water management approaches that meet the needs of business, communities, and nature.

The new guide is being officially released at the sixth working conference of the CEO Water Mandate in Cape Town, South Africa today. It helps redefine the way businesses respond to water challenges, focusing on the shared interests between the public and private sectors.

“The bottom line is that what is good for communities, for public water management, and for the environment is also in the best interest of companies working to ensure their access to water in the long term,” said Jason Morrison, director of the Pacific Institute’s Globalization Program and coauthor of the guide. “With increased threats to the supply, quality, and reliability of water resources, companies cannot reduce their risk through changes in internal management alone. Future water security requires leadership from governments, and business can play a constructive role in both policy dialogue and implementation.”

Traditionally, corporate water management has focused on improving efficiency or finding cost-saving technologies. But many risks stem from external factors, including policies that govern how water is allocated in the face of limited supplies. These policies also dictate water prices, quality standards and safeguards against pollution, and construction and maintenance of water infrastructure.

“Solving water problems requires not only better public policy and stronger institutions, but also inclusive and meaningful participation in decision-making by all stakeholders, including business,” said Gavin Power, deputy director of the UN Global Compact and head of the CEO Water Mandate. “This new publication gives businesses the practical guidance and tools to engage in a principled way on sustainable water policy.”

The guide outlines five principles for responsible business engagement in water policy. The first speaks to intent; responsible engagement should be driven by a genuine interest in efficient, equitable, and ecologically sustainable water management. Second, there should be a clear division

of public and private sector roles, with businesses supporting the government's mandate. Third, responsible engagement promotes inclusiveness and meaningful partnership. Fourth, businesses should recognize the connections between water and other policy arenas, and be mindful of the environmental, social, cultural, and political context. Finally, companies engaged in water policy must be transparent and accountable for their actions.

“Companies are vulnerable to water risk because it's a public good, and they are just one of many users,” said Stuart Orr, freshwater manager of WWF International. “But this isn't about companies trying to claim more of a scarce resource. It's about companies realizing that their future profitability is dependent on the sustainable management of water resources. WWF applauds companies that are seeking responsible ways to use their influence to protect the world's water resources.”

The *Guide to Responsible Business Engagement with Water Policy* details strategic and practical approaches for companies. From encouraging efficient water use across a catchment area to supporting environmentally and socially responsible infrastructure development, business can help mitigate water risk. Within the community, a business can advance public awareness of water issues, help remedy or prevent water resource problems, or fund repairs or upgrades to local water supply systems. Companies can also support research and monitoring, and contribute to the development of effective policy by sharing data. Engaging in participatory platforms or other transparent and democratic processes for water governance underpins each effort.

The *Guide to Responsible Business Engagement with Water Policy* is a product of the CEO Water Mandate, drafted by the Pacific Institute in its capacity as the “operational arm” of the Mandate Secretariat in consort with WWF International, and with the support of Pegasys Strategy and Development Ltd and Water Witness International. It can be downloaded at:

[http://www.pacinst.org/reports/guide to responsible business engagement.pdf](http://www.pacinst.org/reports/guide%20to%20responsible%20business%20engagement.pdf)

and

[http://www.unglobalcompact.org/docs/issues_doc/Environment/ceo_water_mandate/Guide Responsible Business Engagement Water Policy.pdf](http://www.unglobalcompact.org/docs/issues_doc/Environment/ceo_water_mandate/Guide_Responsible_Business_Engagement_Water_Policy.pdf)

The CEO Water Mandate is a UN Global Compact initiative designed to help the private sector better understand and address its impacts on and management of water resources.

[http://www.unglobalcompact.org/Issues/Environment/CEO Water Mandate/](http://www.unglobalcompact.org/Issues/Environment/CEO_Water_Mandate/)

Based in Oakland, California, the Pacific Institute is a nonpartisan research institute that works to create a healthier planet and sustainable communities. Through interdisciplinary research and partnering with stakeholders, the Institute produces solutions that advance environmental protection, economic development, and social equity – in California, nationally, and internationally.

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