Alliance for Water Stewardship Standard

by

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• What is water stewardship?

• Why is water stewardship so vital to sustaining VALUE?

• How to create value through the water stewardship standard?
What is Water Stewardship?

- Water stewardship is the behaviour that Cape Town displayed to get through the drought crisis
- **Commit** -- to working together
- **Gather & understand**  .... Work off the same set of facts & figures
- **Plan**  .. Together.. Co-create OPTIONS & co-consider their CONSEQUENCES
- **Implement**
- **Evaluate**
- **Communicate**  .... transparency & candour

- **Used good business thinking**  ...whole systems; interest-based bargaining; economies of scale; institutional memory; learn-learn-learn;
Lessons from Cape Town

• Many positive lessons

• Regret that the collective action did not start earlier

• Ignorance & inaction places VALUE AT RISK for everyone

• Price and VALUE of water are NOT the same

• Can the key generic lessons be codified, so that other cities can create sustainable value?
International Alliance for Water Stewardship has developed a Water Stewardship Standard

Implementing the AWS standard helps sites to
- Understand their water use in the context of a catchment
- Build internal capacity through a stepwise learning framework
- Manage water risks at site level and through supply chains
- Engage effectively and build trust with local stakeholders
- Demonstrate real leadership in addressing water challenges
Two parts to **RISK** that destroys **VALUE**

- **Event**
- **Systemic event**
- **Response**
- **Systemic response**
Cape Town produced a SYSTEMIC response

• Next time the systemic response will be much better

• How do we know this?

• Because you have ... **BEEN THERE DONE THAT**!
The Alliance for Water Stewardship Standard was the result of an international, four-year, multi-stakeholder process which responded to the growing need for evidence of robust water risk and impact mitigation efforts.
AWS is a global, MEMBER based organisation
Why is water stewardship so vital to sustaining VALUE?
We are confronting a 21st century climate with 20th century infrastructure & 19th century institutions & norms.

The Cape Drought is just the beginning.
Creating Value

Destroying Value

Time

Decision

DWS
Why does the Department of Water & Sanitation (DWS) not just ... DO ITS JOB?
Issues

1960

DWAF

1980

DWAF

2006

DWAF

Knowledge balance?
Creating Value

Destroying Value

Time

Key DWS created organisations in this space
1998 NWA started movement to **collective engagement** by all sectors of **society**

**All Sectors engaging each other over water, under DWS’s oversight**

**CMAs**
FOCUS: WATER USING SITE – CATCHMENT IMPACT

Water Standard application
– Major water using site or facility

Relationships with stakeholders
– Other water users
– Communities
– Ecosystems

Impacts on catchment
– Water Balance
– Water Quality
– Important water related areas
– Water governance
Water

Producer
Processor
Retailer
Consumer
Banks & Investors
Insurers
E. coli O104:H4

E. Coli

related deaths in Germany in 2011

set the scene for next slide
Systemic crisis in the Berg River catchment

- Inadequate housing for existing population
- In-migration
- Absence of provincial policy on temporary location or transitional camps
- Growth of housing for all income classes
- Rapid growth in informal settlements
- Difficult to service due to locations
- Inadequate/alternative sanitation practices
- Limits on funding from national government
- Unfunded LM mandates
- Regular systemic failures in upstream waste water treatment works
- Inadequate ring fencing by LMs of water & sanitation revenue
- Loss of skilled technicians
- Direct effluent to river system with a very high bacteriological load
- Unacceptable (dangerous) levels of river pollution
- Damage to ecosystem functions
- Significant health risks particularly within informal settlements
- Damage to fruit industry (failure to meet EU standards)
- Pollution from farms & industry (not yet measured)
- Risk to EU export market of R950m per year – potential losses of R190 - R570m pa
- Risk to direct farm employment (14,000 permanent labourers; 17,000 seasonal)
- Damage to tourism
- Risk to land reform process
- Total supply chain (makes up 13% of formal sector jobs in the W Cape); (potential losses: 88,000 - 263,000)

Many perspectives on the challenges in this system

How many Sectors have VALUE at RISK?

- Health
- Export
- Shipping
- Transport
- Local Govt
- Farming
- Conservation
- Tourism
- Packaging
- Warehousing
- Insurance

Dr Bane Marjanovic
Creating Value

Destroying Value

Systemic crisis in the Berg River catchment

How many Sectors have VALUE at Risk?

<table>
<thead>
<tr>
<th>Sector</th>
<th>Impact</th>
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<tbody>
<tr>
<td>Health</td>
<td>Local changes, loss of public health, increased health costs</td>
</tr>
<tr>
<td>Expert</td>
<td>Local changes, increased risk to life, decreased productivity</td>
</tr>
<tr>
<td>Shipping</td>
<td>Local changes, loss of infrastructure, increased transportation costs</td>
</tr>
<tr>
<td>Transport</td>
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</tr>
<tr>
<td>Local Gov</td>
<td>Local changes, decreased productivity, increased risk to life</td>
</tr>
<tr>
<td>Farming</td>
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</tr>
</tbody>
</table>

Many perspectives on the challenges in this system

To solve a problem we must see it from all sides.
#6 It’s is about more than your water
It’s about more than your water
Key initiative from business in SA
CREATING SHARED VALUE THROUGH INNOVATIVE PARTNERSHIPS
Global Risks Report 2015
No. 1 Global Risk
WATER
Strategic Water Partners Network
The uMhlathuze catchment area
Thank you
The Alliance for Water Stewardship Standard offers a credible, globally applicable framework of actions to implement water stewardship, support public policy and recognize leadership through independent validation.
Complex and interconnected

Solutions create problems

Externalities -- pushing part of your problem onto others.
Creating Value

Destroying Value

Time

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