



# Water risk, stewardship & development cooperation

## Presentation to the EUWI

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# Outline

1. Water risk and stewardship
2. Case studies & lessons
3. Our programmes and partnerships



# 1. Water risk and stewardship



## Corporate interest in water risk

- 75% of all human water withdrawals are used in corporate value chains (TNC, 2011)
- 2012, 2013, 2014 WEF Global Risk Reports: water supply crisis ranks in Top 4
- Survey of Global 500 companies: 68% reported exposure to water-related risks (CDP, 2013)



The CEO Water Mandate



*“We are getting better at understanding and measuring our water risks. What we we struggle with is how to address them.”*

SABMiller



# The nature of shared water risks

## Causes

### Institutional

Lack of  
alternative  
livelihoods

Weak  
community  
incentives

Lack of  
infrastructure  
investment

Weak public  
services

Lack of  
policy  
enforcement

Weak  
government  
capacity

### Physical

Economic  
activities  
contaminating  
spring

Lack of  
washing/  
sanitation

Poor physical  
protection

Spring is  
destroyed

## Consequences

### Corporates

Cost of  
water rising

Reliability of  
supply

Hampered  
operations

### Communities

Polluted  
fresh water  
↑

Health ↓

### Government

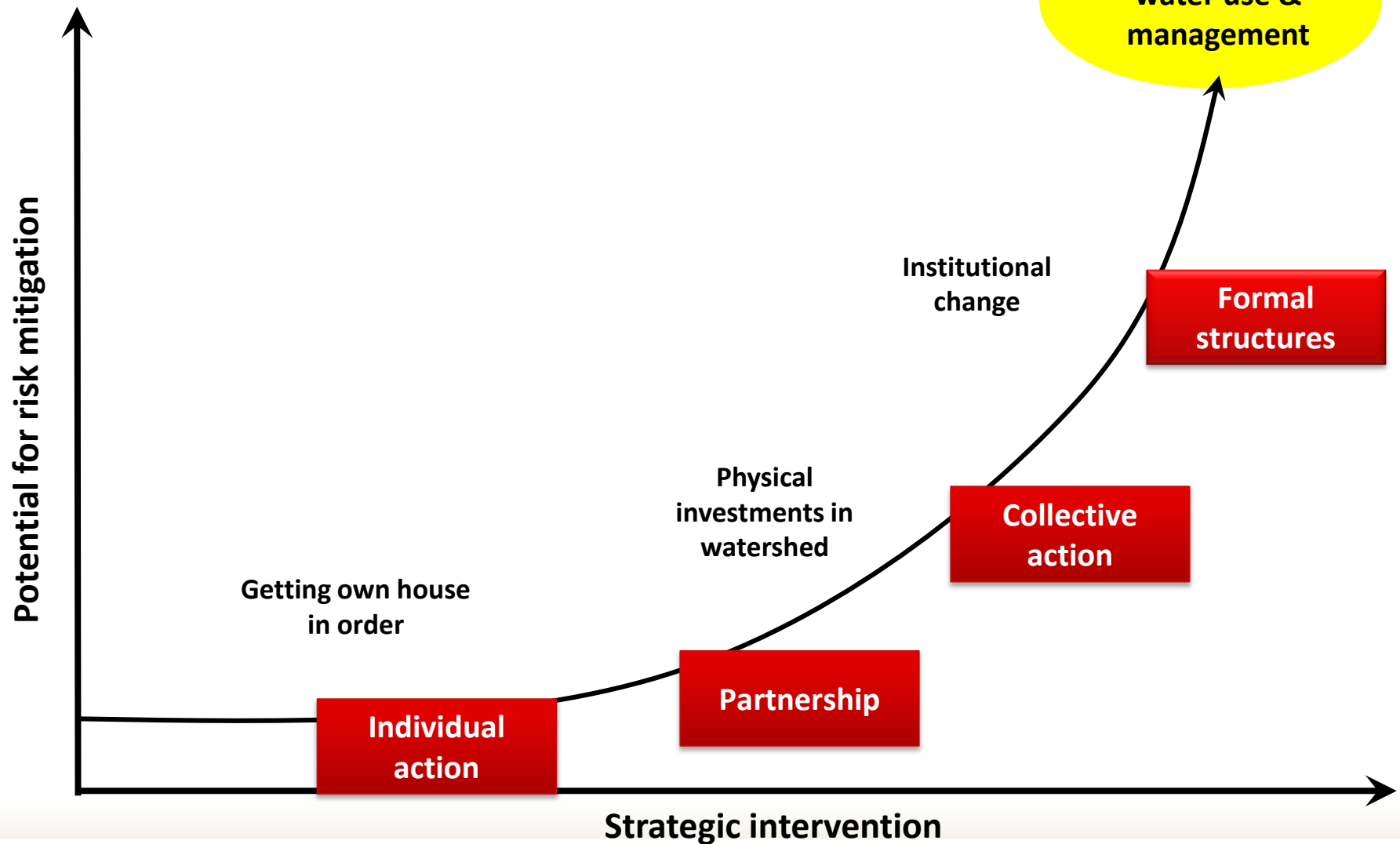
Unhappy  
voters

Impact on  
socio-  
economic  
development

Cost for  
society



# Water stewardship response





## 2. Case studies & lessons



## Protection of Itawa Springs, Ndola, Zambia





# Situation





## Catalysing multi-stakeholder action

- **Activities:** Establishment of multi-stakeholder committee; participatory water risk and sustainability assessment; development of multi-stakeholder action plan
- **Results to date:**
  - Commencement of company investments into physical infrastructure
  - Spring protection zone established
  - Planned activities include: ecological restoration; effluent and storm water management; community awareness and communication; provision of water and sanitation facilities



## Multi-stakeholder committee

- Department of Water Affairs
- Ministry of Lands
- Water Board
- Interim Upper-Kafue Sub-Catchment Council
- Department of Forestry
- National Heritage Conservation Commission
- Zambia Environmental Management Authority
- Ndola City Council
- Kafubu Water and Sewerage Company
- Community representatives
- Zambian Breweries Plc



## Ground water sustainability, Lima, Peru

**Bacrus**



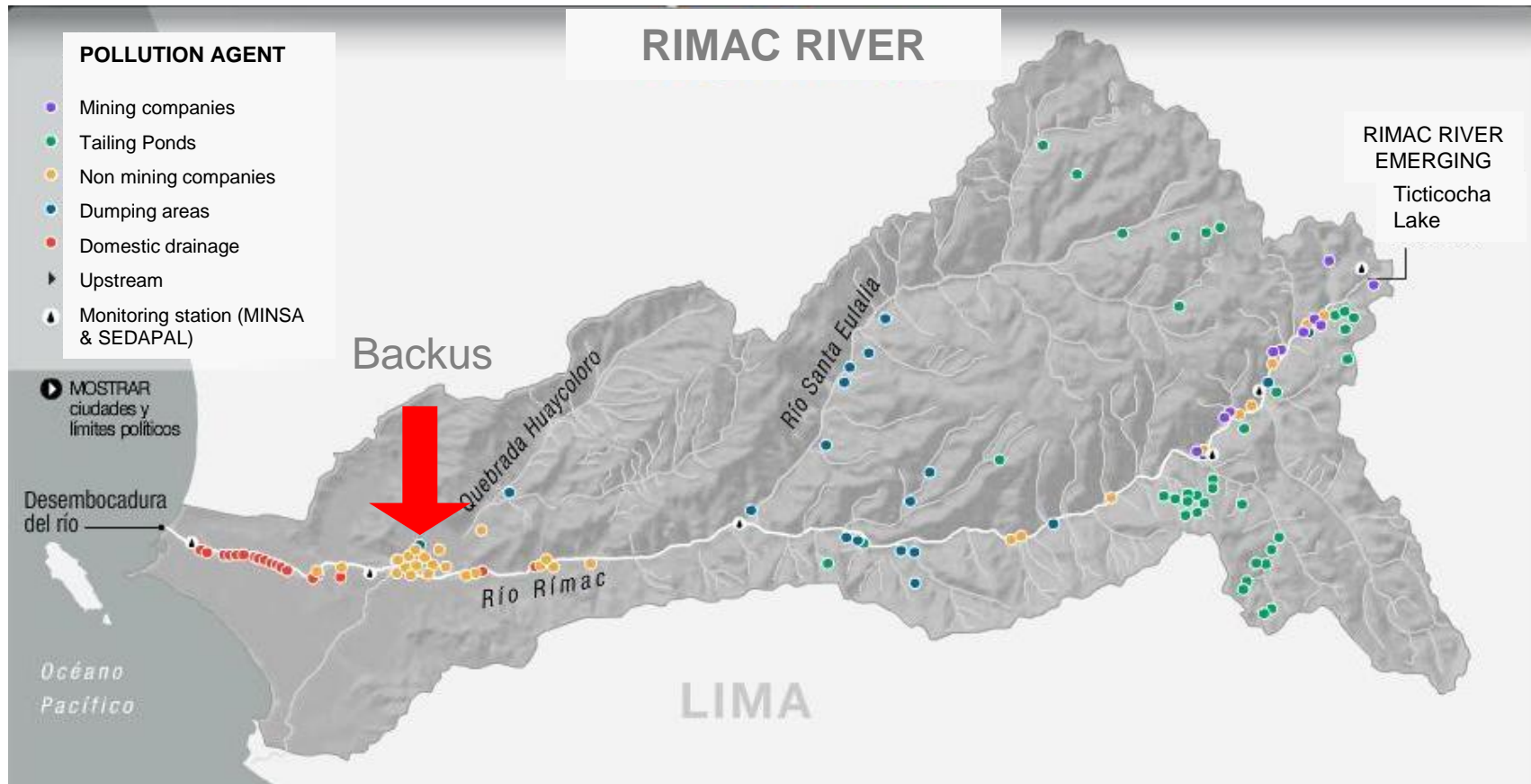
  
Autoridad Nacional del Agua

**giz**





# Situation





## A business platform to help protect the Rimac watershed

- **Risks for Stakeholders:** Operational risk for Backus & other businesses; 12 million people exposed to water insecurity
- **Activities:** Development of a strategic business platform; multi-stakeholder awareness campaigns; sustainable aquifer management plan; supply & demand measures
- **Results to date**
  - Government-supported Aquifer Sustainability Investment Plan
  - \$500,000 leveraged from Backus, with more to come
  - Implementation of project for wastewater reuse for park irrigation
  - Creation of multi-stakeholder Groundwater Observatory







## Reducing demand on the Vaal River System, Emfuleni, South Africa





# On-site vs. off-site investment

Option 1: on-site Construction of a cooling tower down recovery		Efficiency		Option 2: off-site Investment in public management Sebokeng	
		Option 1: Sasol plant		Option 2: Sebokeng facility	
		\$ 50 mill	Capital investment	\$ 0.5 mill	
		18,000m <sup>3</sup> / day	Saving	28,000m <sup>3</sup> / day	
		\$ 2.00/m <sup>3</sup>	Operation & maintenance	\$ 0.02/m <sup>3</sup>	

# Partnership activities

1.



**Install bulk water meters**

2.



**Repair visible leaks on the reticulation system**

3.



**Retrofit plumbing  
(public buildings + 29,000 homes)**

4.



**Education & awareness  
campaign (53 schools)**

# Expected outcomes by end 2014

- Reduced of abstraction from Vaal River by 10 million m<sup>3</sup>/a
- 330,000 people will benefit from a more reliable access
- Reduced CO<sub>2</sub> emissions: 13,000 t/a
- Job creation
- \$1.8m cumulative raw water and energy savings for municipality
- Revolving fund to reinvest savings
- Donor funds: €500,000; Sasol funds: €500,000

## **To date:**

- Savings achieved to date = 1,100,000 m<sup>3</sup>
- 80 local Water Warriors, plumbers and technicians employed



## Some of the lessons learnt

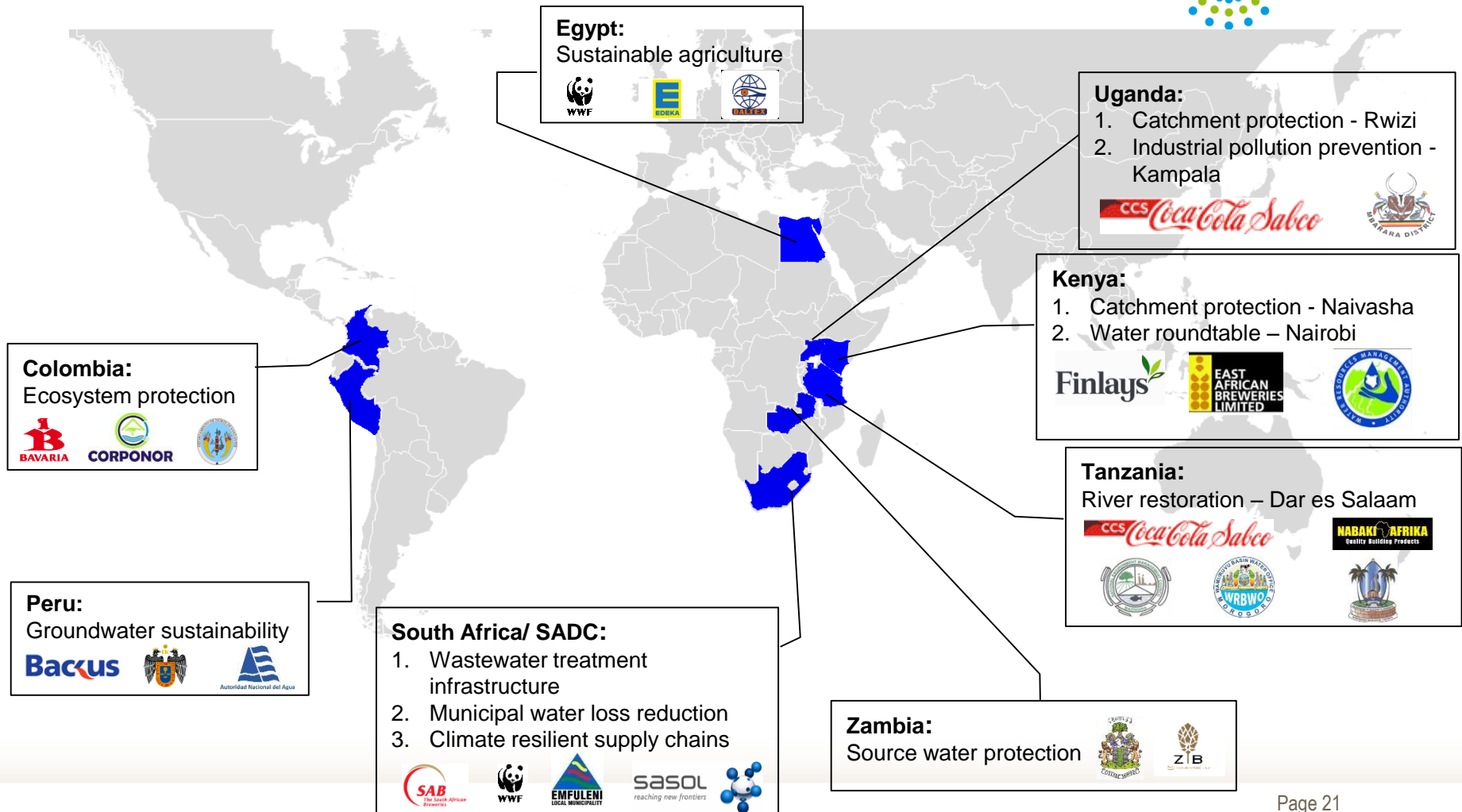
- Public-private-civil society development partnerships take a long time to build. **Trust** and **capacity** are big barriers
- A sound **water risk assessment** and **collective business case for action** helps to build consensus
- **Private sector motivation** is not always clear
- Partnerships must be strategic – **institutional change** is key
- There is an integrity risk
  - In partnership design, processes and outcomes
  - In stakeholders involved
  - In issues kept off the table
- The global water stewardship agenda needs careful guidance



### 3. Our approach and programmes



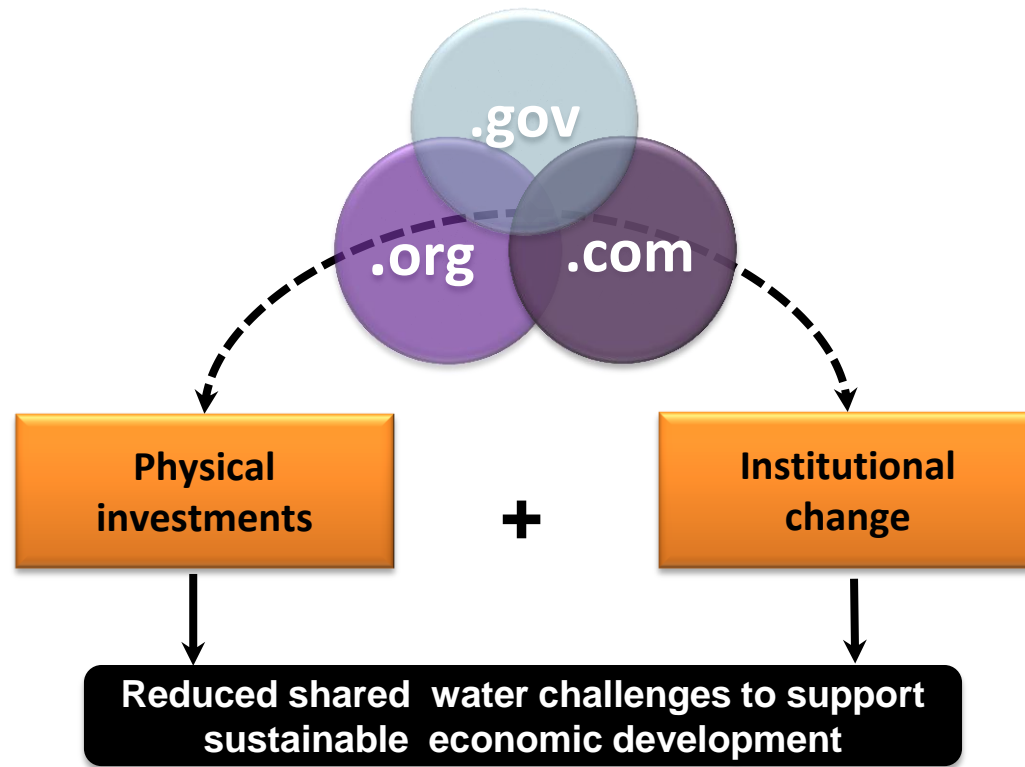
# 12 ongoing partnerships; over 70 local partners 12 more partnerships being scoped





## Our approach to collective action

1. Convening, assessing risk, consensus building
2. Developing & implementing risk management plans
3. Progress monitoring & adaptation
4. Embedding & scaling





## Water Futures Partnership (2+2m EUR; 2009-2016) SABMiller, WWF, TNC, Edeka, GIZ

- A network of organisations committed to **catalysing collective action** in cities and watersheds to mitigate shared water risks
- Platform for sharing best practices
- It helps the companies, other water users and government partner to **address the shared causes of water risk**, beyond the boundaries of their respective responsibilities. It strives for measurable improvements in water security that create shared benefits.
- **Objective:** To reduce shared water risks in watersheds around the world to support sustainable economic growth.
- Network will be formalised and is open to new members



# International Water Stewardship Programme at a glance



- Outcome of Bonn2011 Nexus Conference
- Commissioned by BMZ, with support from DfID
- Current focal countries: Uganda, South Africa, Kenya, Tanzania, Zambia + 1-2 countries in Asia
- Duration: 01.01.2013 –31.12.2018 (6 years)
- Funding: EUR 17,600,000
- Results will include:
  - 1 million direct beneficiaries / 6 million indirect beneficiaries
  - 8 million EUR funds from private companies
  - Draft policy guidelines in 5 countries



## Strategic elements

- Strengthening capacity & incentives for public sector - private sector - civil society cooperation
- Showcasing visible impacts in reduction of shared water risks
- Leveraging funding for water security from the private sector
- Catalysing political change
- Spreading lessons through regional & international learning processes
- Integrity as comprehensive approach
- Water risk methodology/ Change Management Process



## Opportunities

- High demand for knowledge sharing and support
- Geographical extension options
- Scoping further collaboration options



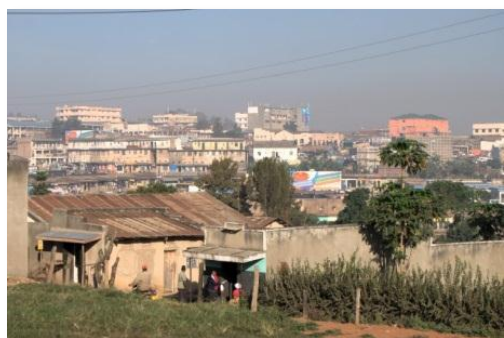
# Thank you!



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## Catchment protection, Mbarara, Uganda





## Population growth in Mbarara municipality

In 2002: 69,363  
Currently: 94,393  
Annual growth rate:  
4,3 %

UN-HABITAT, 2012



# Uganda: Strengthening Catchment Management

- **Shared Water Challenge:** Water demand-supply gap in Rwizi River system
- **Risks For Stakeholders:** Operational, reputational and regulatory risks for Coca-Cola bottler, agricultural productivity at risk, 100,000 inhabitants of Mbarara face water shortfalls
- **Activities:** Improvement of catchment management planning, physical restoration of wetlands, training of local communities with regard to sustainable use of wetlands, training of farmers on sustainable water use, restoration of water infrastructure
- **Risk: Expected results:**
  - Improved catchment planning and management
  - Improved community access to safe water through physical investments
  - Introducing innovative farming practices for food security

