

## Towards Global Sustainability:

How can water footprint help?







### Globalisation of water

- Water problems tied to the structure of the global economy
- Human impacts on freshwater systems linked to human consumption
- Water shortages and pollution consider production and supply chains





## Water footprint concept

कोका कोला,पेप्सी कोला भारत होड़ों,भारत होड़ों

"Not only governments, but also consumers, businesses and civil society communities can play a role in achieving a better management of water resources."

Arjen Hoekstra





### What is the water footprint?

The water footprint maps and measures how, when and where we use freshwater resources.

- ► Water footprint is a measurement of the volume of water consumed (evaporated or otherwise not returned) or assimilation capacity used.
- ► The water footprint is a **geographically** & **temporally** explicit indicator.
- ► The water footprint is an indicator of water use that looks at both **direct** & **indirect** water use of a consumer or producer.
- ► A water footprint can be calculated for a **process**, a **product**, a **consumer**, **group of consumers** (e.g. municipality, province, state or nation) or a **producer** (e.g. a private enterprise, public organization).



## An analogy: The ecological footprint

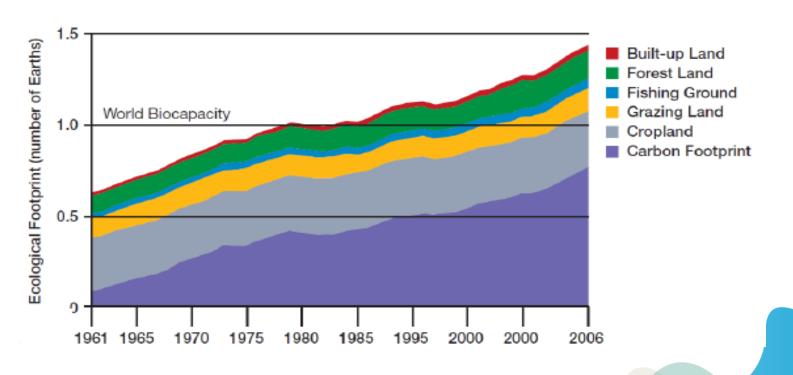
The pressure people put on land and water through the demand for goods and services and the assimilation of GHG emissions

#### **Biocapacity:**

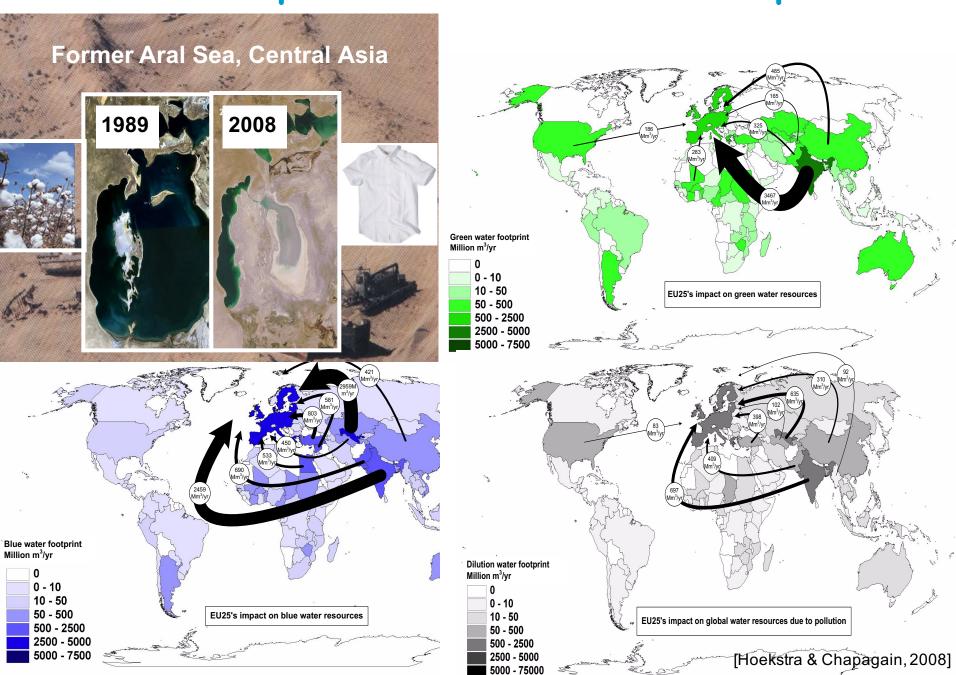
How much bioproductive area is **available to us?** 

#### **Ecological Footprint:**

How much bioproductive area do we **demand**?



## Water footprint of EU's cotton consumption





## A framework for action: Water Footprint Assessment

- Understand the geographic & temporal allocation of water resources for industry, agriculture & domestic water supply
- Assess the sustainability, efficiency & equitability of water use: consumption & pollution
- Identify the most strategic actions to be taken in local, regional, national & global scales, individually & collectively



## Corporate Water Footprint Assessment



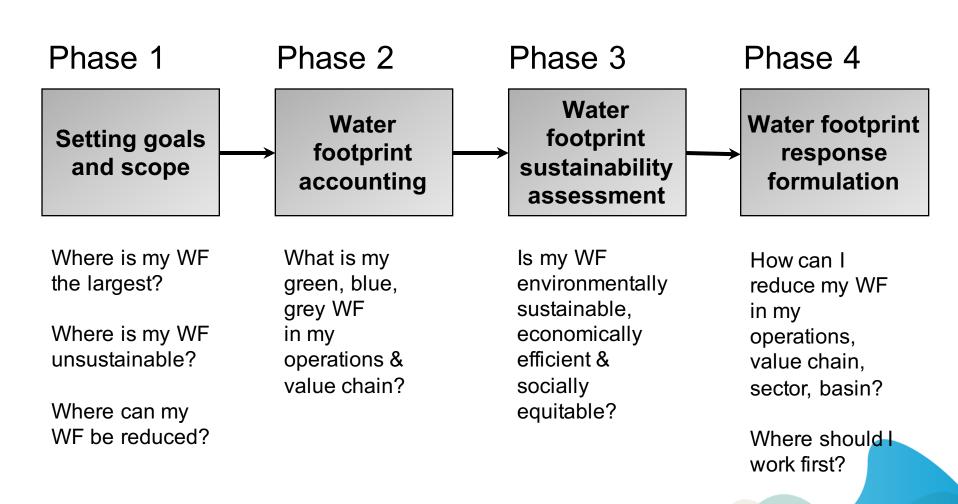
After prioritising locations & processes where water footprints are not sustainable, the next step is to **design appropriate action**.

#### Questions to be asked are:

- Is internal action sufficient e.g. improve your own water footprint? What are the management options?
- Do you need to work with external parties for collective action?
- If yes, with whom; around what?



## Four phases of Water Footprint Assessment





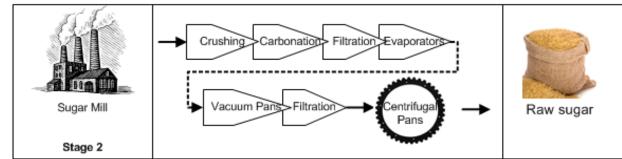
## 1 - Goal & Scope definition

## Sugarcane supply chain

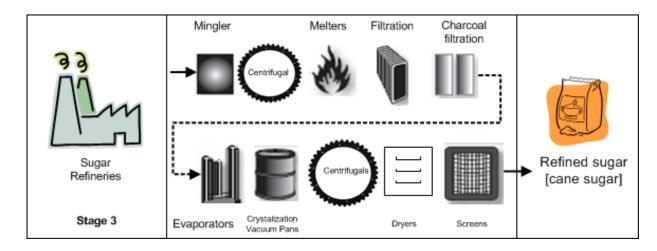




#### Tier 2 Suppliers



## Tier 1 Suppliers





## 2 - Water footprint accounting

### Integration in the Hydrological cycle: the colors of water

#### **Green water footprint**

volume of rainwater evaporated or incorporated into product





#### **Blue water footprint**

volume of surface or groundwater evaporated or incorporated into product, lost return flow





## **Grey water footprint**

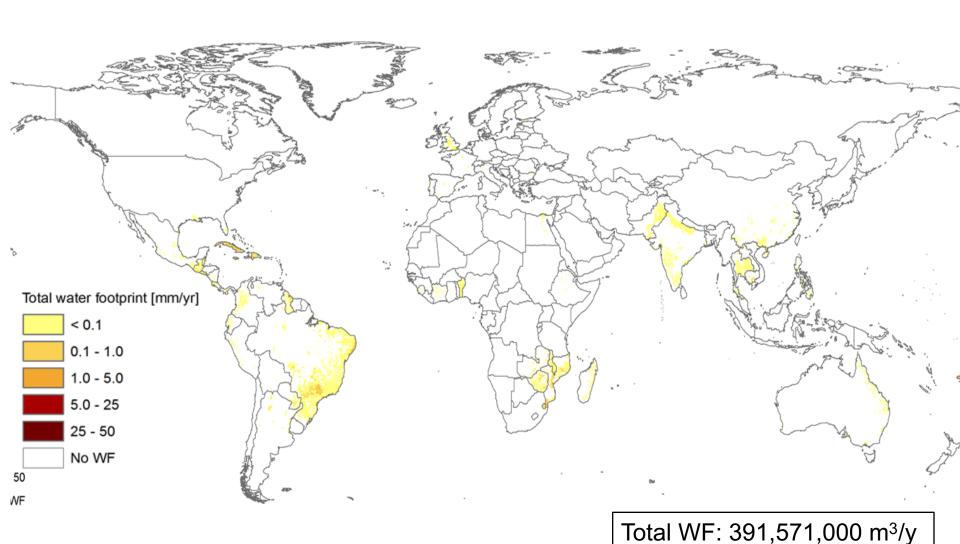
an indicator of assimilation capacity used.





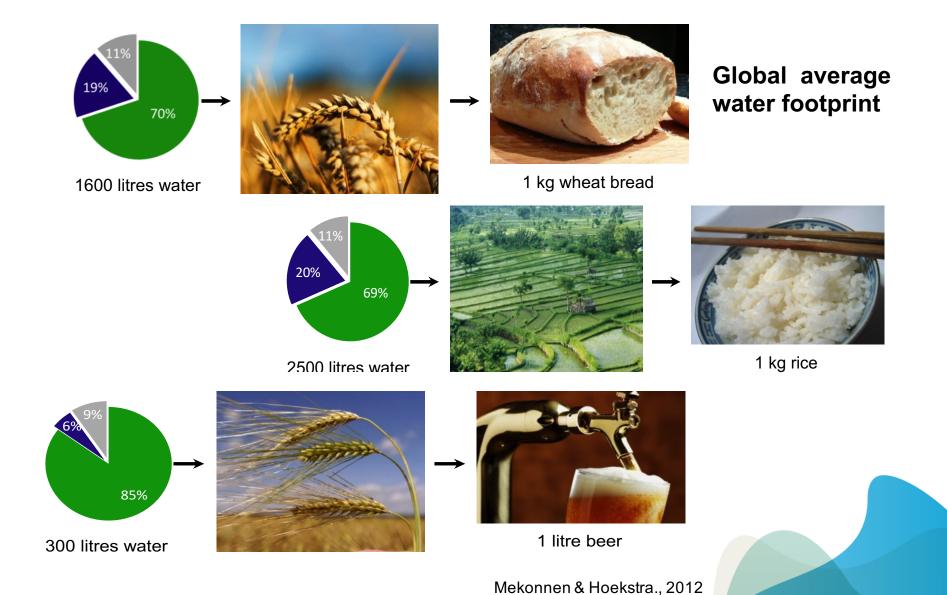


# Global distribution of total water footprint





## 2 - Water footprint accounting





## 3 - Water footprint sustainability assessment

### Establish sustainability criteria

#### **Environmental**

Blue water footprint: environmental flow requirements, groundwater levels

Green water footprint: environmental green water requirements Grey water footprint: ambient water quality standards

#### **Social**

- Basic human needs drinking water, food security, employment
- Rules of fairness equitable allocation, water user & polluter pays principle

#### **Economic**

Efficient allocation and use of water; value of water in the economy



## 3 - Water footprint sustainability assessment

Sustainability Assessments are a basis for stakeholder involvement, help to create good will & avoid situations where companies are caught off guard by new concerns or preferences.

**Sustainability Assessments** identify social sustainability issues & work toward solutions where needs are not being met.

**Sustainability Assessments** form a basis for watershed cooperation & thus can help in avoiding conflicts before they start.



# Sustainability Assessment to guide sustainability strategy

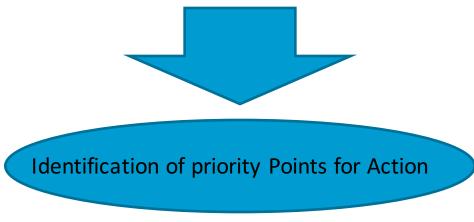
Is the supply chain water footprint sustainable?

For each green, blue & grey water footprint component:

**Geographic hotspots**: Is the water footprint component located in a river basin & period of the year where environmental criteria are violated? [checked using blue water scarcity & water pollution levels]

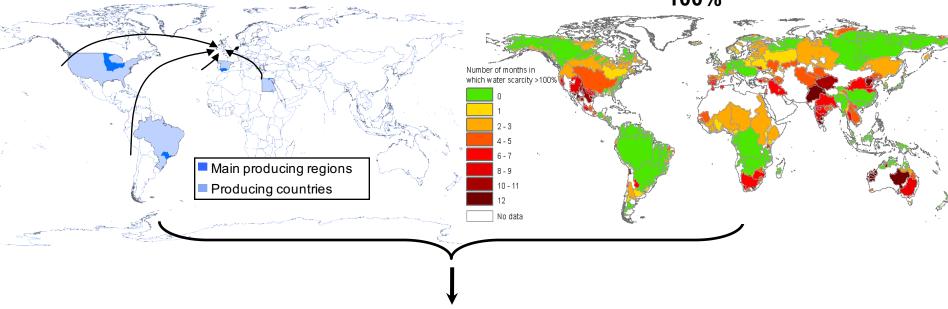
**Process efficiency**: Is the water footprint of the process itself unsustainable?

[checked using global benchmarks]

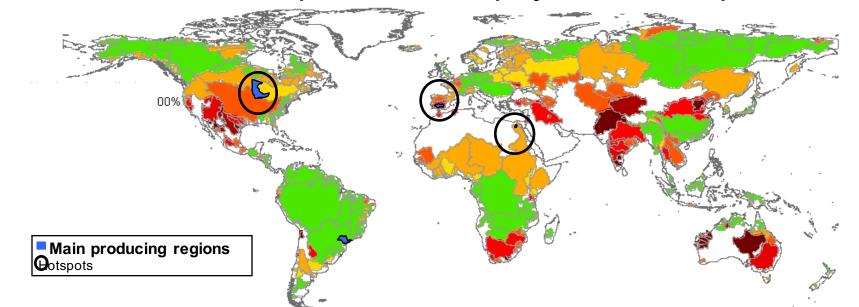


Global blue water footprint of a company located in the Netherlands

River basin hotspot map - per river basin the number of months with blue water scarcity > 100%



Unsustainable components of the company's blue water footprint

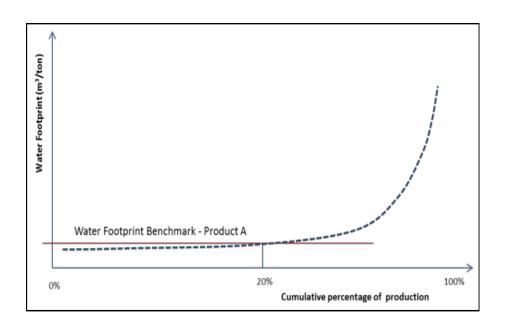


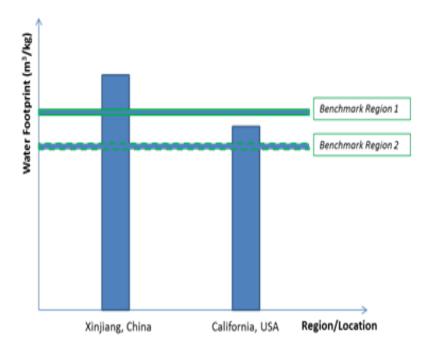


## 3 - Water footprint sustainability assessment

### Efficient: Is water being used as efficiently as possible?

- Benchmarking
- Best Available Practice & technology
- Progress evaluation







## 4 - Water footprint Response Formulation

### What can companies do?

## Integrate Water Footprint Assessment into their sustainability & business strategy

- Set quantitative water footprint reduction targets
- Use standardized terminology & calculation methods
- Certification of Water Footprint Assessments
- Water Footprint reporting/disclosure

### Use Water Footprint Assessment to engage in collective action

- In catchments: as a common language among multi-stakeholders
- With supplier: collaboration programmes & incentives; roundtables
- With consumers: Integration in communications



# Selecting priority river basins for strategic action



Raw sugar processing and sugarcane farming in supply chain occurs in 277 river basins around the world





**Priority river basins** 



**Priority regions** 

River basin 1

River basin 2

River basin 3

River basin 4

River basin 5

River basin

### **Region 1**

- Priority river basins
- Adjacent river basins

### Region 2

- Priority river basins
- Adjacent river basins

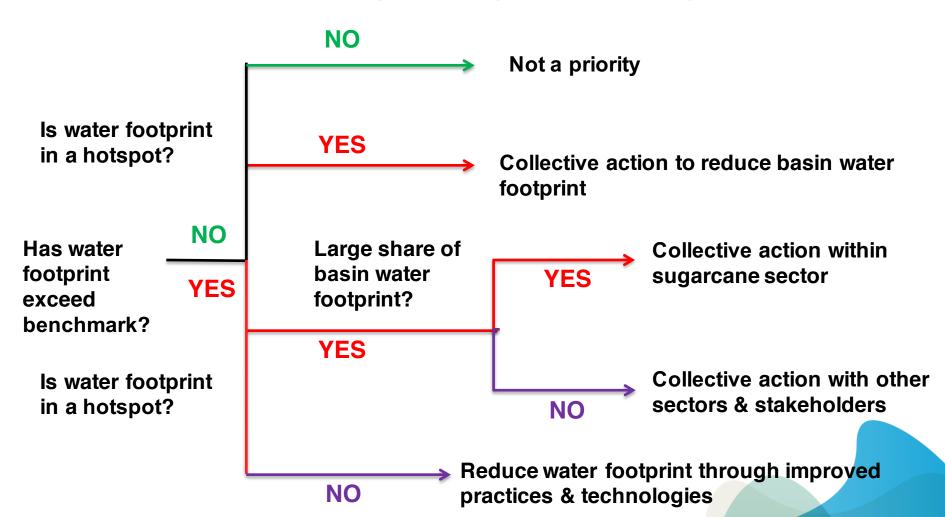
### Region 3

- Priority river basins
- Adjacent river basins



# Strategic response formulation in priority river basins

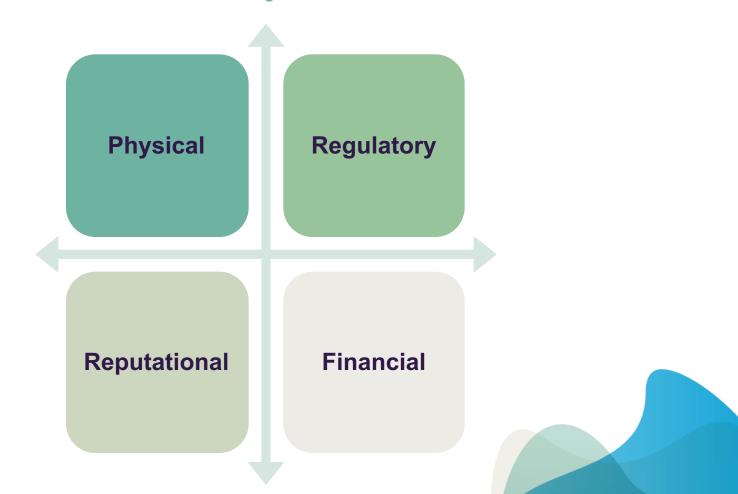
Response formulation is guided by sustainability assessment





## WHY? To address water-related business risk

Assessing and mitigating the water footprint of a business is a way to reduce risk





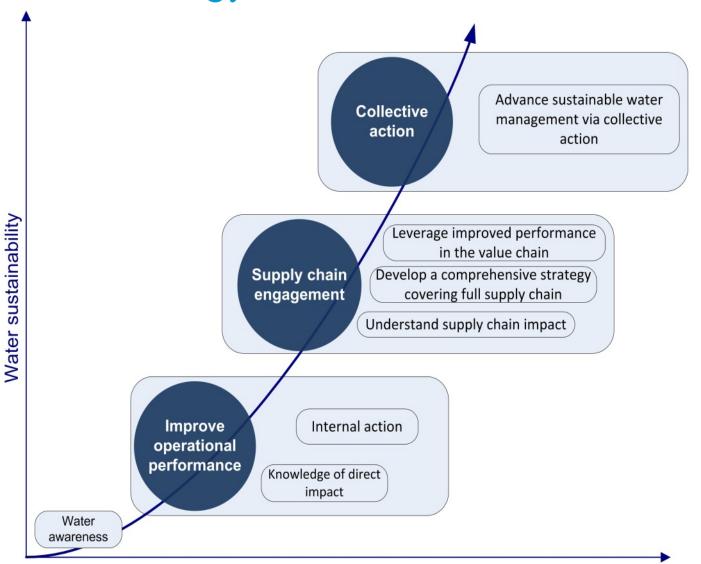
# WHY? To support corporate sustainability strategy

### General framework to address water risks & sustainability





# Developing a Corporate Sustainability Strategy



Water stewardship progression





# Water Footprint Assessment – Water Stewardship Progression

Improve operational performance

**Direct Water Footprint** 

Within the fence efficiency improvements

Improve performance in supply chain

Indirect Water Footprint

Addressing water risk in supply chain

Understand local watershed context

Sustainability Assessment

Are sustainability criteria violated?

Watershed & collective action

Sustainable Water Strategy

Water footprint reduction targets & action plan



### Water Footprint Assessment: Conclusions

Water Footprint Assessment is a simple & elegant concept which enables us to:

- Understand the geographic allocation of water resources for industry, agriculture & domestic water supply
- Evaluate the efficiency of water use: consumption & pollution
- Determine the sustainability of water use: e.g. water scarcity
   & water pollution levels; social & economic issues
- Identify the most *strategic actions* to improve the sustainability, efficiency & equitability of water use



## Water footprint: What's new for business?

- From operations to supply-chain thinking.
- Shifting focus from water withdrawals to consumptive water use.
- From securing the 'right to abstract & emit' to assessing the full range of economic, social & environmental impacts of water use in space and time.
- From meeting emission standards to managing grey water footprint.



## The Water Footprint Network

Dynamic, international learning community with hundreds

of partners

worldwide

Promotes
efficient,
equitable &
sustainable
use of
freshwater
resources

Engages
companies,
investors,
research
institutes &
government
agencies

Promotes knowledge exchange between practitioners, sharing case studies

Developed the Global Water Footprint Assessment Standard Conducts
projects
demonstrating
implementation
of Water
Footprint
Assessment

Delivers training & capacity building Provides access to DBB & On-line tools















## Thank you!

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