Connecting the Drops Toward Creative Water Strategies -- A Water Sustainability Tool

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http://www.gemi.org/water
GEMI Water Sustainability Work Group

Background Information:

• 2000: GEMI members identified growing importance of water issues; formed Work Group

• 2001: Conducted industry benchmarking survey – access to freshwater supplies identified as an increasing area of vulnerability

• 2001: Began development of a Water Sustainability Tool for business

• June 2002: Published GEMI Water Sustainability Tool and companion web site
Business Case for Pursuing Sustainable Solutions to Water Management

- Total water costs are increasing in unexpected ways.

- Business disruption risks are growing. Current water “allocations” are not assured into the future.

- Customer expectations related to water use and impacts are evolving.

- Businesses’ “license to operate” and ability to expand are increasingly tied to water-related performance.
Water as a Sustainability Challenge

- Water is a shared resource

- Business, communities, and ecosystems all depend on clean freshwater

- Increasing vulnerability of local water supplies’ ability to meet competing demands

- Window of opportunity exists for business to “get out in front” of this issue.
**Water Sustainability Concepts**

- Reduce overall use of water and improve water efficiency
- Match water quality with appropriate use
- Minimize adverse impacts on water quality or improve the quality of available water
- Solve water quality challenges through prevention rather than treatment.
**Water Sustainability Concepts (cont’d)**

- Engage local stakeholders in dialogue about water management challenges using a meaningful participation process

- Consider local human and ecosystem water needs in business decision-making

- Raise awareness about water sustainability and the importance of effective stewardship.
GEMI Water Sustainability Tool

1. **Water Use, Impact, and Source Assessment**
   - In what key areas does the business directly and indirectly rely on and impact water throughout the value chain?
   - What is the status or vulnerability of water sources used or impacted by the business?
   - Key Water Uses
     - Key Water Impacts
     - Key Water Sources
   - Prioritized Water Risks

2. **Business Risk Assessment**
   - What are the business risks linked to the organization’s water uses and impacts, taking into account the vulnerability of key water sources affected by these uses and impacts?
   - Which risks are most significant?

3. **Business Opportunity Assessment**
   - What opportunities exist to proactively address costs and potential risks to the business associated with water use and impacts?
   - What opportunities exist to create “top line” business value by addressing water challenges faced by others?
   - Opportunities

4. **Strategic Direction and Goal Setting**
   - What business case exists for pursuing a water sustainability strategy?
   - What are the company’s goals related to water sustainability?
   - How can the organization be best engaged in pursuing a water sustainability strategy?
   - Business Case for Action
     - Water-Related Goals
     - Strategic Direction

5. **Strategy Development and Implementation**
   - What roles should various business functions play in developing and implementing the company water strategy?
   - Key Organizational Roles
     - Water Strategy and Action Plan
   - Input to Other Corporate Strategy, Planning, and Program Activities
**GEMI Water Sustainability Tool**

Module 1: Water Use, Impact, & Source Assessment

Module 2: Business Risk Assessment

Module 3: Business Opportunity Assessment

Module 4: Strategic Direction & Goal Setting

Module 5: Strategy Development & Implementation

Supplemental web site: [www.gemi.org/water](http://www.gemi.org/water)
Case Studies Provided by the Following GEMI Companies

- Abbott Laboratories
- Anheuser-Busch Inc.
- Bristol-Myers Squibb Company
- The Coca-Cola Company
- ConAgra Foods
- DuPont
- Eastman Kodak Company
- Georgia-Pacific Corporation
- Intel Corporation
- Johnson Controls, Inc.
- Novartis Corporation
- Olin Corporation
- Procter & Gamble Company
- Southern Company
- Texas Instruments
Key Lessons from the Case Studies

• Failure to strategically address water challenges can result in significant constraints and costs.

• Water risks and opportunities are present throughout the value chain.

• Numerous cost-effective opportunities exist to reduce water use, impacts, and risks.

• Companies are enhancing revenues and creating shareholder value by addressing water sustainability challenges.

• Cross-functional business teams can be highly effective in developing and implementing successful business water strategies.
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