*SRK – Water Stewardship: Managing water risks – on site and in catchment*

Managing water risks – on site and in catchment

Drought and other water-related risks have in recent years threatened the sustainability of South African businesses, demanding they take a strategic and systemic approach to their water needs and sources.

The good news is that tools are available to guide companies in planning and implementing an effective response to these risks, according to Fiona Sutton, principal consultant at global engineers and scientists SRK Consulting.

“We work with clients to apply the International Water Stewardship Standard, which outlines five steps through which companies can achieve good water stewardship practices,” said Sutton. “Developed by the well-respected Alliance for Water Stewardship (AWS), this standard guides improved water performance both on site and in the broader catchment.”

**Gather data**

The first step in working towards the AWS Standard is for site owners to gather and understand all its relevant water-related data. While time-consuming, it is perhaps the most important stage – as it ensures that the site owner’s future decisions are based on accurate information about water use within its site and catchment.

This will include identifying the water sources from which the site draws, the locations to which it returns its discharges, and the catchments upon which it relies – and which it may affect. For the site itself, the data collection will focus on aspects such as water balance, water quality, water flows and storage volumes, and water-related costs and revenues.

It will also need to explore water, sanitation and hygiene (WASH) factors, and how to create shared value with other stakeholders. This means considering the adequacy of available WASH services within the catchment – such as the availability of water and toilet facilities – to combat the spread of water-related disease.

“This lays the foundation to understanding the site’s shared water challenges as well as its water related risks, impacts and opportunities,” she said. “From this starting point, the second step can be taken: committing to water stewardship and developing a water stewardship plan.”

**Plan, do, review**

The plan needs to clarify the mission, vision and goals/targets, where the targets cover the key areas of sustainable water management of the organisation, as it pursues good water stewardship in line with the AWS Standard, as well as the people who are responsible. It must also include the process for reporting to regulatory agencies and other stakeholders in line with ESG (environmental, social and governance) obligations, the ways that the plan will be measured and monitored, the actions and timeframes to achieve it, and the financial resources to be committed.

“Where possible, it is important to link each target set with the achievement of best practice – as this will help address shared water challenges and the AWS outcomes,” she said. “The plan needs to demonstrate the company’s responsiveness and resilience to water risks, and how its mitigation measures are co-ordinated with relevant public-sector and infrastructure agencies.”

The third step of the process is to implement their plan, and the fourth is to evaluate the company’s performance in doing this. Sutton emphasised that the organisation’s priority should be to ensure that the measures it takes are sustained and are continually progressing.

“This is where certification against the AWS Standard plays an important role, as it provides a systematic framework to track the progress made towards water security and to correct the course of action where necessary,” she said.

**Engage**

A fifth and vital step is for companies to communicate and disclose the progress in their water stewardship journey. This requires careful engagement, based on a good understanding of the organisation’s context or setting – so that its actions have the desired impact.

“There is a need to engage with catchment stakeholders in an open and transparent manner – to understand their priorities, share plans and collaborate on solutions,” she said. “This engagement allows an organisation to improve its broader understanding of its water usage within a catchment, rather than just within its own site or factory limits.”

Applying the AWS Standard helps address essentially three types of risk, all of which have financial implications: physical, regulatory and reputational. Considering physical risks for a moment, these are specific to both the company and the catchment, said Sutton.

**Mitigate risk**

“Catchment-specific risks are influenced by local water resource management and governance effectiveness in dealing with factors such as increasing demand and unpredictability driven by climate variability,” she said. “They are also affected by local infrastructure adequacy, the amounts of pollution being disposed into water bodies, and the resulting quality of available water.”

Risks specific to the company can be direct, such as disruptions in site level operations or supply chains due to water supply issues or poor water quality. They can also be indirect, such as the non-availability of water services to manage auxiliary operations like wastewater disposal through dedicated wastewater networks.

**Getting certified**

For companies wanting their systems and efforts in water stewardship to be officially recognised, the AWS awards certification to sites that conform to its requirements. The AWS process can be facilitated by specially trained practitioners, paving the way for a detailed audit. Certification of the AWS Standard is available at three levels: Core, Gold and Platinum.

“Sites are audited against criteria and indicators by credible, third party assessors – independent of AWS or the site,” said Sutton. “Certified sites can then make credible claims about their water stewardship activities and performance.”

She emphasised, however, that organisations should not consider the AWS Standard as simply a pathway to certification, but rather a method to achieving on-the-ground results towards water security for the site and its stakeholders. Organisations need to be aware that in the absence of on-the-ground results, chances for certification, even at core level, are very limited.