



Industry in Action

Case studies of ecosystem-based water management

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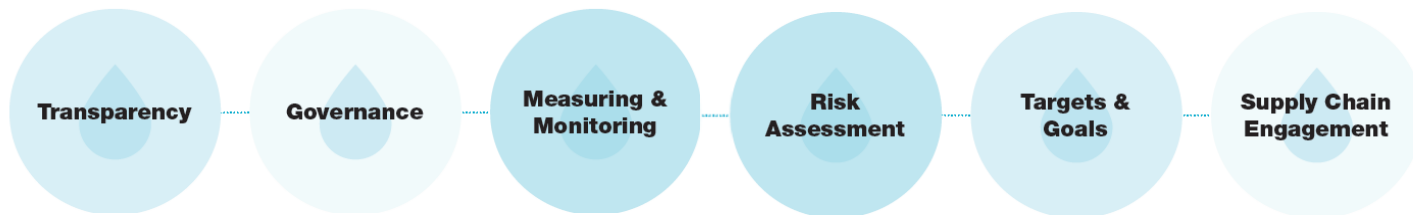
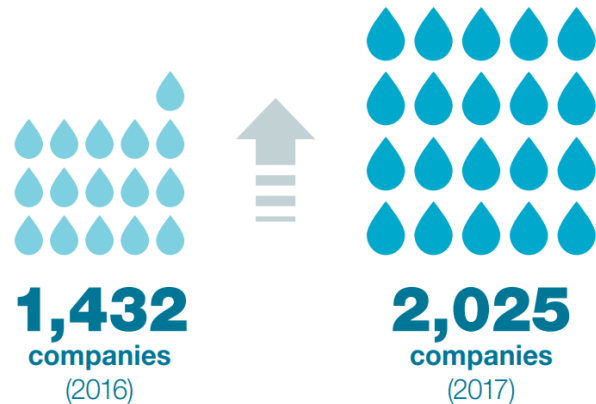
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A Turning Tide: Tracking corporate action on water security

CDP's water program works to catalyze action to improve water security by engaging companies, investors, and other stakeholders to disclose and act on water data from the largest corporations in the world.

When it comes to ecosystem-based water management by corporates:

- ▼ There is a strong business case for action
- ▼ CDP data shows more companies using ecosystems as a solution
- ▼ Disclosure is a driving force in this shift



The business case – corporates and ecosystems

CDP data shows that companies are financially impacted by disruptions to ecosystem services.

▼ **Danone** reported losing €740,000 (~ US\$840,000) in finished goods when polluted river water contaminated their lines in certain facilities in Brazil.

▼ For South African brewer **Distell Group**, reduced precipitation and run-off can result in reduced soil moisture and therefore reduced supply of agricultural raw materials, e.g. grapes and apples and thus, lower production of wine and cider. The company spends R10 million (~ US\$685,000) per annum to engage their suppliers on improved irrigation techniques.

▼ In 2017, 120 companies reported to CDP that ecosystem vulnerability is a driver of substantive risk to their business.



How can business respond to these challenges?

Most common response strategies:

- ▼ Infrastructure investment
- ▼ Engagement with community
- ▼ River basin restoration
- ▼ Engagement with other stakeholders in river basin
- ▼ Develop flood emergency plan



Japanese company **Suntory Beverage & Food** has set a target to expand the area of their Natural Water Sanctuaries, which they manage as watershed protection forests, to 12,000 hectares by 2020.

Each sanctuary has a forests management plan to increase the ground water replenishment level. The target also includes an educational element with school programming, allowing trained staff to teach children the importance of watershed forests.



Reduction in consumptive volumes

Number of companies

Target Goal



Watershed remediation and habitat restoration, ecosystem preservation



#DisclosureWorks



first time disclosers have set company-wide targets and goals



Of second time disclosers have set company-wide targets and goals



Of third time disclosers have set company-wide targets and goals

Disclosure and collective action are key to determining the best solution

Spanish electric utility **Endesa** was alerted to an excessive growth of invasive macrophytes—a type of aquatic plant—in the river section between their Flix Hydroelectric plant and the Ascó nuclear facility in Spain by the local River Basin Authority.

Endesa carried out a study on the erosive capacity of the Ebro river in the section between the two plants to determine which flow level is required to drag and eliminate the excessive growth of the macrophytes. The results of the study will allow them to optimize the management of the river section so that it benefits river biodiversity.



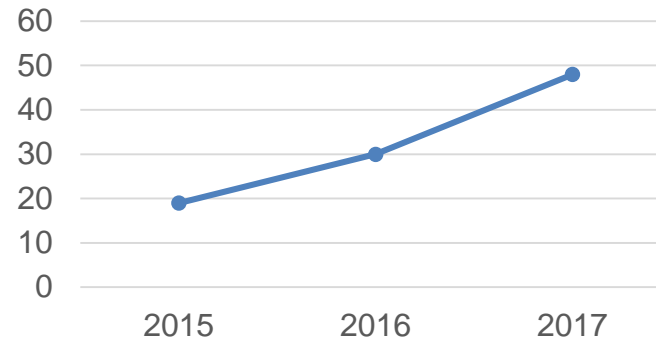
In conclusion

When it comes to ecosystem-based water management by corporates:

- ▼ There is a strong business case for action
- ▼ CDP data shows more companies focusing on ecosystems as a solution
- ▼ Disclosure is a driving force in this shift

(Q9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?

Mentions of “biodiversity” in Q9





Thank you

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