



# Measuring the Benefits

REPLENISHMENT & CORPORATE WATER STEWARDSHIP

Earlier this year, the World Economic Forum ranked water crises as a top global risk. The finding is further evidence that businesses are increasingly aware of their water use impacts, water risk exposure, and how water affects their shareholder value. In response, more and more companies are seeking ways not only to improve their water use, but also to help address basin-level challenges shared by their operations, local communities, and freshwater ecosystems. But as companies explore the idea of working outside of their factories and operations, almost all ask the same question: How can we quantify the water benefits of our sustainability investments in the basin?



Although metrics such as water use efficiency ratios are commonly employed within businesses to measurably demonstrate progress, assessing the benefits of water projects beyond a company's four walls is much more difficult. To fill the gap, some companies are developing "replenish" methodologies to capture how quantitative or qualitative water benefits can be calculated for a given water-related community activity or conservation project.

At WWF, we understand the importance of setting targets that incentivize action beyond internal operations—and the need to capture the associated benefits of doing so. For this reason, we work constructively with partners to determine the value of replenishment efforts in the context of broader stewardship strategies.



## THE ORIGINS OF REPLENISH

In 2007, The Coca-Cola Company set this goal as part of their larger corporate water stewardship strategy: "By 2020, safely return to communities and nature an amount of water equal to what we use in our finished beverages and their production."

At the time, this type of target was new and there was no meaningful way to quantify progress. The Company, along with WWF and other partners, developed "Replenish" to describe both the methodology and the goal for quantifying the associated benefits of water stewardship activities. Over the years, The Company has defined a range of replenish projects, including watershed protection and restoration, water access and sanitation, and water for productive use.

The Coca-Cola Company was one of the first to employ methodologies and projects focused on water benefits as a way to make corporate goals actionable and drive investment in local basins. Today, replenishment approaches—including Kimberly-Clark's "Water for Life" and IKEA's "People & Planet Positive"—have been adopted by others seeking to quantify contributions and measure commitments to "return" the water they consume.



Water stewardship involves best management at the site level, engagement in the basin, and a variety of potential activities in between. Setting goals that contribute to sustainably managed basins, and transparently measuring progress toward them, are important elements of responsible water stewardship and require the use of many tools.

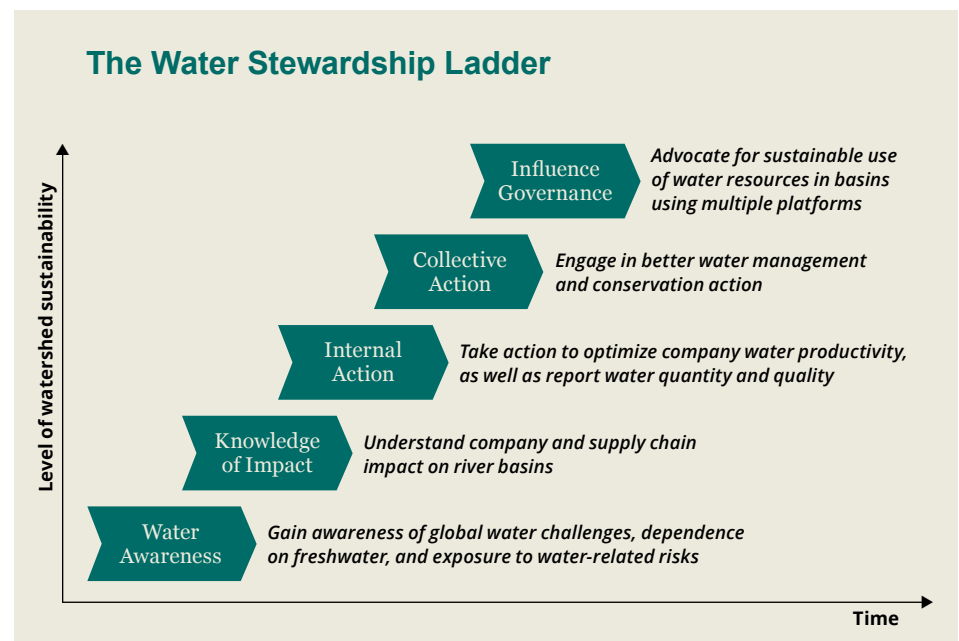
When companies start thinking about how to address water risks, they should begin by understanding the impacts of their internal operations, and then avoid and minimize them. However, looking within their factories and operations will never be enough. All water use—municipal, agricultural, industrial, etc.—has some residual impact that cannot be eliminated. And since the location and timing of water use is critical, taking water from one place and saving or improving it somewhere else (as is done in carbon credit models) does not necessarily balance accounts, reduce the impacts of the original use, or mitigate risk.

Because water impacts extend beyond the site, companies should strive for better water accounting of their on-site water use, and a sustainable balance at the basin level. Replenish activities can contribute to basin sustainability, but may not be ecologically meaningful

if they are inconsistent with local hydrology or social issues, or implemented in isolation without additional collective action. As such, the value and effectiveness of replenishment depends largely on where and how it is incorporated into a company’s water stewardship strategy.

Some companies with an awareness of water challenges may employ replenish activities for philanthropic purposes. Others may use replenish activities for specific, short-term internal actions, like ensuring groundwater levels increase for a facility’s well. When replenish projects are relevantly located

for operations or supply chains, they can even help encourage others to engage in longer-term, collective action that strategically mitigates risks driven by shared basin challenges. In this regard, replenish can be a part of multiple phases on WWF’s Water Stewardship Ladder—from awareness to internal action to collective action. Only when replenish activities are set in the context of a broader water stewardship effort framed by risk management can they help connect corporate efforts to the water challenges facing communities, businesses, and the environment.



## OUR LESSONS LEARNED

For many years, WWF has woven replenishment activities into our freshwater conservation work, and we have learned a great deal about its role within corporate water stewardship strategies. Key lessons for corporations to consider include

- **Understand that replenish projects are only one part of a comprehensive water stewardship strategy.** While replenish goals and their corresponding metrics can drive action and investment, they generally address only a small piece of basin sustainability. Replenishment activities must be part of a broader water stewardship strategy to ensure meaningful benefits.
- **Employ an array of activities to complement replenish projects.** The goal of freshwater conservation is to provide the right quantity and quality of water, at the right time and place, to meet the needs of people, business, and ecosystems. To achieve this, companies can engage in a variety of activities, including technical assistance, awareness raising, multi-stakeholder engagement, science-backed water projects, and policy work. By working across these activities, the private sector can foster enabling conditions for good, data-backed field conservation, while cementing progress by improving compliance and enforcement of new and existing water-related policy.
- **Consider the context before selecting a project location.** For any replenish-type project to be viable, credible, and meaningful, it must connect with and support the context in which it is located. Working with credible partners to ensure interventions make sense hydrologically and are relevant to the local community is crucial to achieving basin sustainability.

- **Know why you are undertaking a water benefit effort and measure accordingly.** Whether you are taking on a project to reduce strategic risks or as a philanthropic activity, clearly outline the project and why you're pursuing it. Have complementary targets and indicators to ensure your strategy is delivering on your goal.
- **Measure contributions and basin sustainability.** To understand whether interventions are meaningful, one must also measure basin sustainability. WWF is developing an efficient and easily replicable Basin Report Card process that establishes a common understanding of basin health and a solid baseline from which to quantify progress. These report cards will allow users to compile a variety of indicators that, when taken together, provide a sophisticated picture of

a system's health and can therefore guide future stewardship efforts.

- **Learn from others.** Replenish is an evolving concept. More innovation in how we measure progress is bound to occur. Learn from others—their mistakes and their successes. Take the best aspects of existing examples, and innovate and strengthen how businesses can build meaningful contributions to basin health.
- **Limit your claims.** Replenishing water used for business does not erase all water impacts on communities and nature, and on its own does not constitute being a good water steward. Being transparent about what replenish efforts can and cannot do is important. Leverage replenish to galvanize action beyond the fence line, but focus contributions on broader basin goals.



# What WWF Is Doing



Well-governed, sustainably managed basins are the ultimate goal for all of WWF's freshwater conservation efforts. We partner with the public and private sectors and academia to put together the program that best optimizes benefits for freshwater systems, communities, and economies. To achieve this, we employ a suite of tools and proven practices that address the unique needs of our partners and their priority regions.

Replenish projects are one approach we can leverage with corporate audiences as a part of comprehensive programs that meaningfully contribute to long-term basin sustainability and a water-secure future for people and nature.

There is no simple solution to the world's water challenges. Only together can we reduce our impacts on water—and measure the benefits.

**PHOTOS:** Front page, top to bottom: Coca-Cola bottling plant in San Pedro Sula, Honduras © Scott Dalton/WWF-US; Child with a basket of Mekong freshwater herring, Cambodia © Zeb Hogan/WWF; Collecting drinking water from a freshwater source © iStockphoto.com/WWF-Canada; Water treatment process in Honduran bottling plant © Scott Dalton/WWF-US; **Page 2:** Canoes float down the Rio Grande in Big Bend Reach © Day's Edge/WWF-US; **Page 3:** Child helps water the garden outside his house, Chihuahuan Desert, Mexico © Day's Edge/WWF-US; **Back page:** WWF staffer Lindsay Bass visits with vineyard manager Richard Boer at a California vineyard that produces grapes for Diageo, one of the companies that piloted the Alliance for Water Stewardship standard © Rachel Stump/WWF-US  
© 2015 WWF. All rights reserved by World Wildlife Fund, Inc. 8-15/200



Contact [Lindsay.Bass@wwfus.org](mailto:Lindsay.Bass@wwfus.org) for more information on replenish approaches and how WWF can help you take your water stewardship efforts to the next level.

**WWF** World Wildlife Fund 1250 24th Street NW, Washington, DC 20037-1193 [worldwildlife.org](http://worldwildlife.org)